



Msukaligwa Local Municipality



2012-2013 Draft Annual Report

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Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD



Cllr Bongwe, Joseph Siphio
Executive Mayor

Foreword by the Executive Mayor

The financial year 2011/2012 has been a year in which national government through COGTA took bold and decisive initiatives to intervene, stabilize and support local government. This comes as a result of key elements of the local government systems showing signs of distress. The state of local government report compiled following assessments jointly conducted across the country between April and August 2009 profiled Msukaligwa Municipality as one of the 58 local municipalities falling in class 3; Second highest performing.

This assessment further demanded that we design our own turnaround strategy. Maintenance master plans, upgrading informal settlements, revenue enhancement, and reduction of electricity and water losses, local economic development and basic service delivery are some of the priorities that are part of Msukaligwa Municipality Turnaround Strategy. We should not lose sight of these priorities if visible, tangible and positive changes are to be felt in all our rural and urban communities.

The appointment of the municipal manager towards the end of the financial year has brought stability in the administration, contributing positively to the realization of the priorities of our turnaround strategy. For the municipality to be efficient, effective, responsive and accountable, political and administrative interface is critical. The adoption of both the spatial development framework and local development strategy by Council are also positive milestones.

This period has also been characterized by communities becoming restless because as a developmental local government we could not realize that consultation and listening to the views of stakeholders are as equally important as the provision of basic services.

The achievement and failures of 2011/2012 must inspire all municipal stakeholders: politicians, administrators, communities to re-shape and commit towards increased access to a wide range of basic services and more opportunities in the economy. Let me end by saying that *“Local government is everyone’s business”*

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

On behalf of the Msukaligwa Local Municipality it is a privilege indeed to give an account to the stakeholders of how far we have come in discharging our mandate. The report reflects mainly on the activities, achievements and challenges of the past financial year 2011/12.

The municipality is not well capitalized and needs to boost its liquidity level. The current pool of liquidity is insufficient hence it poses a challenge for the municipality to eliminate all the backlog pertaining to matters of service delivery.

Liquidity simply means the ability of the municipality to meet its debts as and when they fall due. Failure to do that will result in the total failure of the municipality as it would be forced into liquidation or be placed into administration as purported in the MSA 135.

The challenge of the low level of liquidity emanates from multiple factors such as:

- Non-payment of rates and taxes
- High cost of overheads
- Electricity losses due to illegal connections
- High prevalent rate of unemployment within the municipality which makes it difficult for the consumers to meet their financial obligations
- Non-implementation of the credit control measures
- Increased debtor's days outstanding
- Decreased cashbook balances; and
- Incurred Provision of bad debts which is not in line with the current payments level ; etc

Budget drives efficiency in any business and strives to keep the right balance of liquidity. Common sense dictates that if debts are not collected, many businesses will not be in a position to provide the required goods and services nor to honour its obligations. We therefore commit to be living true to the social contract with our people that this municipality delivers for the people, with people and for the people.

In conclusion, I wish to thank the staff members and Council for their guidance and contribution which ensured that Msukaligwa local municipality met its mandate despite budget constraints. I am also indebted to the Mighty Lord, Council and the Executive Mayor for their strategic input, guidance and leadership. It is important that we continue to run an efficient and effective municipality in order to deliver on our mandate.

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The municipality performs its functions in terms of Section 152 and 153 of the Constitution of the Republic of South Africa, Act 108 of 1996. In addition to the provisions of Section 152 and 153, Schedule 4, Part B of the Constitution provide for the functional areas of the local municipality of the municipality is rendering such services. It should however be borne in mind that some of the function may not be applicable to this municipality while some are rendered by the District Municipality since the municipality does not have capacity. Those services that are not rendered by this municipality are indicated in this document.

In its endeavor to improve service delivery, the municipality has through the District, MIG and other funding extended its services to rural/farms communities by providing water boreholes where farm owners consented to these services. It should however be noted that service provision at some rural/ farm areas become difficult due to resistance by farm/land owners which poses a challenge to the Municipality. All urban areas within the municipality have access to running water which includes informal settlements areas where water is provided through communal taps. The municipality has further endeavored to meet the millennium target of eradicating the bucket system by providing water borne sewerage system at various formalized settlements and VIP toilets at rural settlements. The process of providing hygienic sanitation and water to rural areas will continue until all areas are serviced. Urban migration is also posing a challenge especially in Ermelo with the increase of illegal squatting making it difficult for the municipality to render proper sanitation services and waste removal. The municipality is currently providing free basic water to its communities and subsidizing of indigent residents. The provision of free basic electricity still remains a challenge to the municipality while the indigent consumers are subsidized.

Housing the growing population more especially in Ermelo has also became a challenge as we have to deal with the issue of illegal land invasion resulting in increased number of informal settlements. In dealing with the informal settlements, the municipality has therefore identified pockets of land which have been formalized into formal residential areas and provision of basic services to these areas has been prioritized. Most of the newly formalized areas were electrified and provided with temporary communal water taps while waiting for permanent reticulation. New land for relocation of the informal settlement has also been identified and new sites established. Funding for procurement of land for residential purposes remains a challenge for the municipality therefore the municipality relies on funding from the DRDLR, DARDLA, COGTA and other funding institutions to assist in the purchase of land.

Eradication of informal settlement is one of huge challenges of the municipality as this impacts on community health due to poor sanitation services, refuse removal and inaccessibility to some sections of the settlement as result of poor/non existence of roads. Therefore the issue of acquisition of land for housing purposes should be accelerated for the municipality to meet the millennium target for eradication of informal settlements by 2014. Though evident judging by the pace of developments that the target may not be met by 2014, the municipality shall through its available resources and assistance from sector departments and other stakeholders, continue to deal with the backlog of eradicating the informal settlements. Financial assistance should therefore be sought from the District and government departments to procure land for housing purposes.

The Department of Agriculture and Land Administration has offered assistance to municipality by funding the Township establishment at Wesselson extension 7 and Kwazanele Extension 6 for ± 620 and 500 sites

Chapter 1

respectively. This will assist a lot in minimizing the housing backlog within the municipality.

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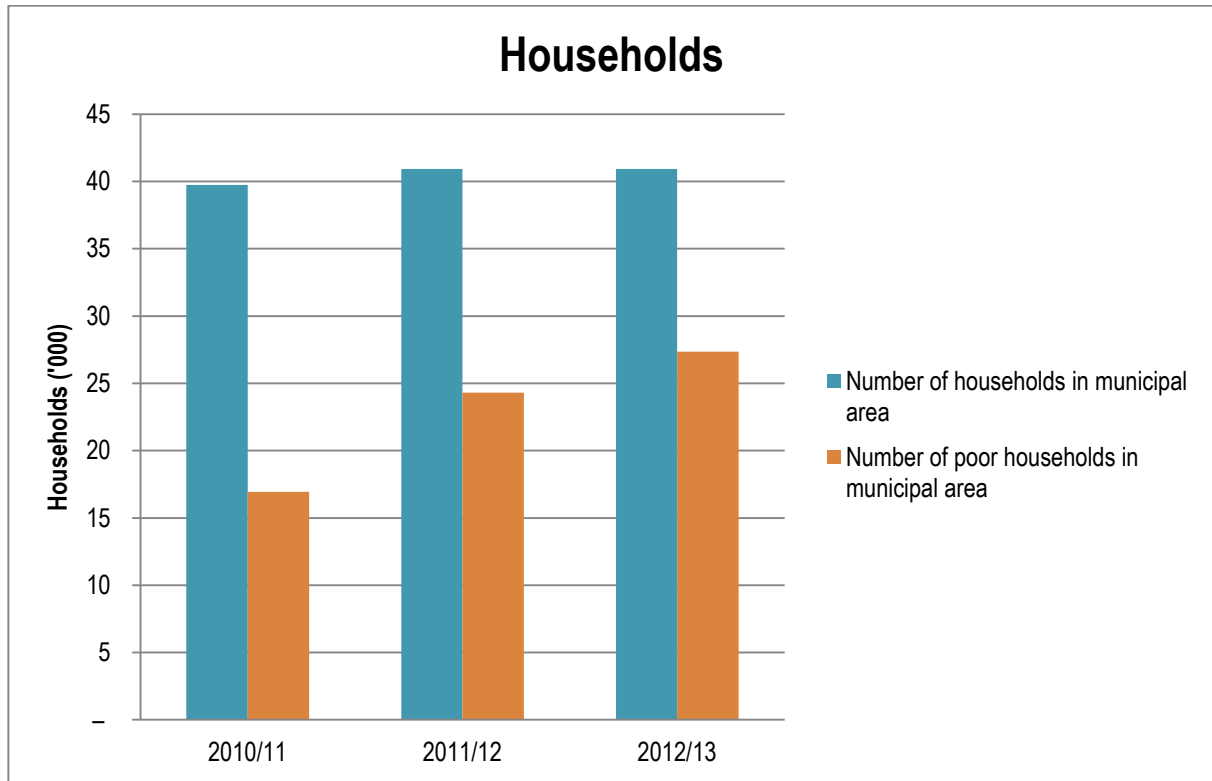
1.2.1. Municipal Demographics

Msukaligwa population dynamics is based on statistics derived from *Statistics South Africa* 2001 to 2011, the Gert Sibande District Municipality and other sources. *Statistics South Africa* data had been used for the demographics and where data could not be derived from Statistics South Africa, other sources had been used. The population of Msukaligwa shows a grown of 19.7% from 2001 to 2011 at an average annual growth of 2% and grew with 24564 persons.

Population Details						
Age Groups	2001			2011		
	Male	Female	Total	Male	Female	Total
0-4	6,882	7,017	13,902	8,301	8,273	16,574
5-9	7,351	7,376	14,753	7,590	7,271	14,861
10-14	7,455	7,479	14,911	7,030	6,944	13,974
15-19	6,972	7,128	14,110	7,532	7,542	15,074
20-24	5,124	5,936	11,058	8,089	7,908	15,997
25-29	4,819	5,607	10,416	7,969	7,520	15,489
30-34	4,309	4,701	9,011	5,829	5,359	11,188
35-39	4,038	4,317	8,381	4,794	4,741	9,535
40-44	3,406	3,661	7,040	4,125	4,191	8,316
45-49	2,745	2,956	5,697	3,427	3,921	7,348
50-54	2,307	2,380	4,660	3,001	3,238	6,239
55-59	1,530	1,510	3,038	2,417	2,673	5,090
60-64	1,198	1,519	2,729	1,656	1,970	3,626
65-69	758	1,046	1,795	969	1,192	2,161
70-74	564	806	1,374	649	1,082	1,731
75-79	325	556	876	365	638	1,003
80+	334	701	1035	370	801	1,171
TOTAL	60,119	64,694	124,813	74,113	75,264	149,377
Source: Statistics SA Census 2001 & 2011						
T 1.2.2						

Households and their sustainability are of utmost importance in the planning process of municipalities. It is therefore imperative to determine the poverty levels within the municipality in order to properly channel resources to deal with poverty. The table below depicts poverty levels within the municipality with a poverty line of R 533.47 per capita per month and for an average household of four people. This amounts to household poverty line of R2213.89 which has been used as the basis for determining poor households within the municipality. The poverty line estimates as mentioned above has been derived from the South African Local Government Association, Estimating a Poverty Line: An Application to Free Basic Municipal Services in South Africa, 2010. Therefore households that are regarded as poor households are those that fall within the household income bracket of R2213.89 and below.

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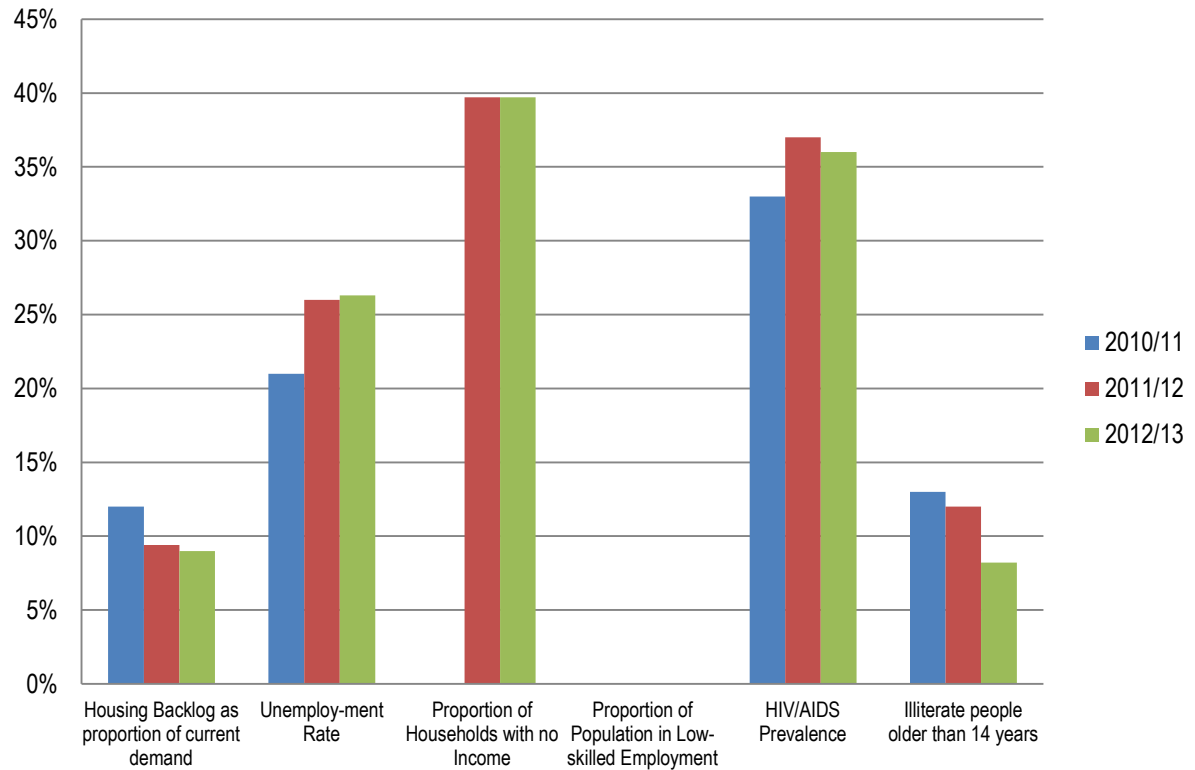
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Socio Economic Status (as a %)						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2010/11	12%	21%			33%	13%
2011/12	9%	26%	39.7%		37%	12%
2012/13	9%	26%	39.7%		36%	8.2%

T1.2.4

Chapter 1

Socio Economic Status



T1.2.5

Natural Resources	
Major Natural Resource	Relevance to Community
Coal	Mining opportunities, transportation, employment opportunities and economic development.
Arable land	Agricultural production, forestry, employment opportunities, economic development and poverty alleviation.
	T1.2.7

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The municipality is responsible for delivery of basic services to its community in terms of the provisions of Schedule 4 of the Constitution of the Republic of South Africa as well as Section 152 which provides for the object of Local Government which requires the municipality to provide the following:

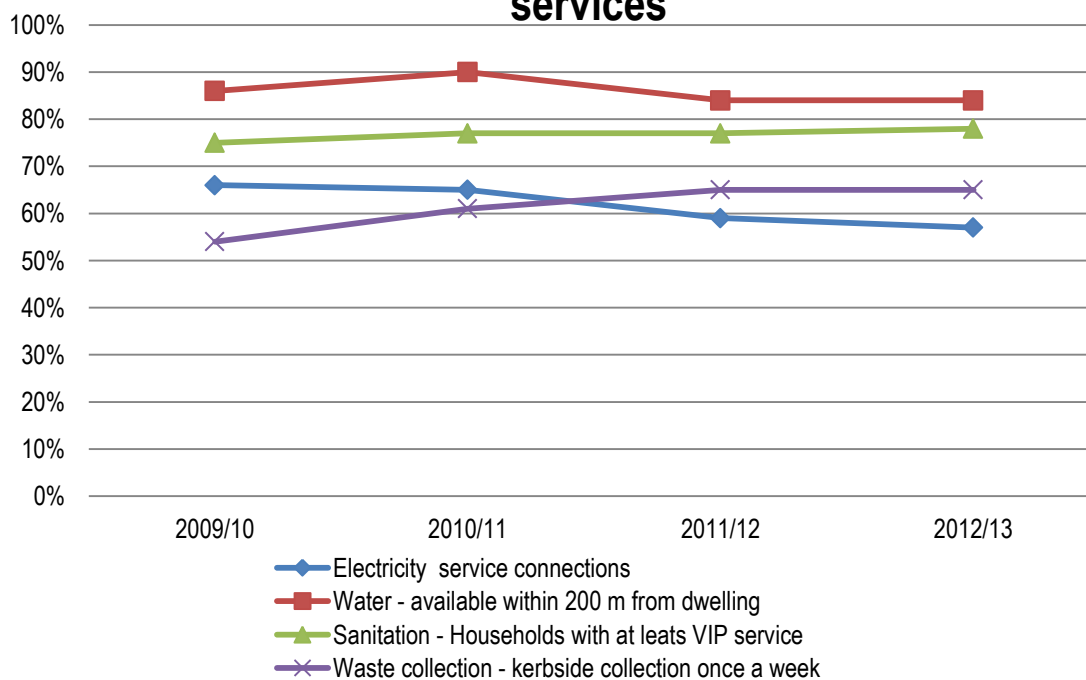
- (a) to provide democratic and accountable government for local communities;
- (b) to ensure the provision of services to communities in a sustainable manner;
- (c) to promote social and economic development;
- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in the matters of local government.

Section 152 (2) further provides that a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)

The Integrated Development Plan of the municipality is therefore prepared in line with the provisions of the said Act and all other legislative mandates to ensure service delivery to the constituent communities.

T 1.3.1

Proportion of households with access to basic services



T1.3.2

Chapter 1

ACCESS TO BASIC SERVICES

As depicted in the diagram above, service delivery in respect of electricity, water, sanitation and waste collection has improved over the past four years. Communal water supply within 200m from dwellings has also been reduced as a result of formalization of most of the informal settlements and water is connected to the yards or houses where houses are built. There is quite a significant progress made in electricity connections to households except areas where houses were not yet completed and in the informal settlements that cannot be formalized. The biggest challenge regarding electricity is at farm areas where farm owners refuse to consent for the electrification of their farm dwellers houses as well as refusing to contribute towards the electrification.

Provision of VIP sanitation services to farm areas has improved as more households are gaining access to the VIP toilets and this process will continue until all farm dwellers have access to VIP toilets. About 25% of the households in farm areas do not have hygienic sanitation services of which provisions have been for the future years to provide VIP toilets for those communities.

With regard to waste collection, household waste is collected once a week in the various towns and townships of this municipality with the exception of Warburton and Sheepmoor due to lack of resources and dumping sites as well as the fact that communities at these areas are not billed for the services.

T1.3.3

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

Municipality has financial challenges due to high level of nonpayment and illegal connections and this resulted in the development of a Financial Recovery Plan.

Short, medium and long term strategies were developed to address the issues identified in the situational analysis. These are the strategies:

Strategy One: Restructure the Budget

Strategy Two: Revise Tariff Policies and Tariff Increases

Strategy Three: Revenue Enhancement

Strategy Four: Financial Administration

Strategy Five: Cash Management Strategy

Strategy Six: Human Resource Management

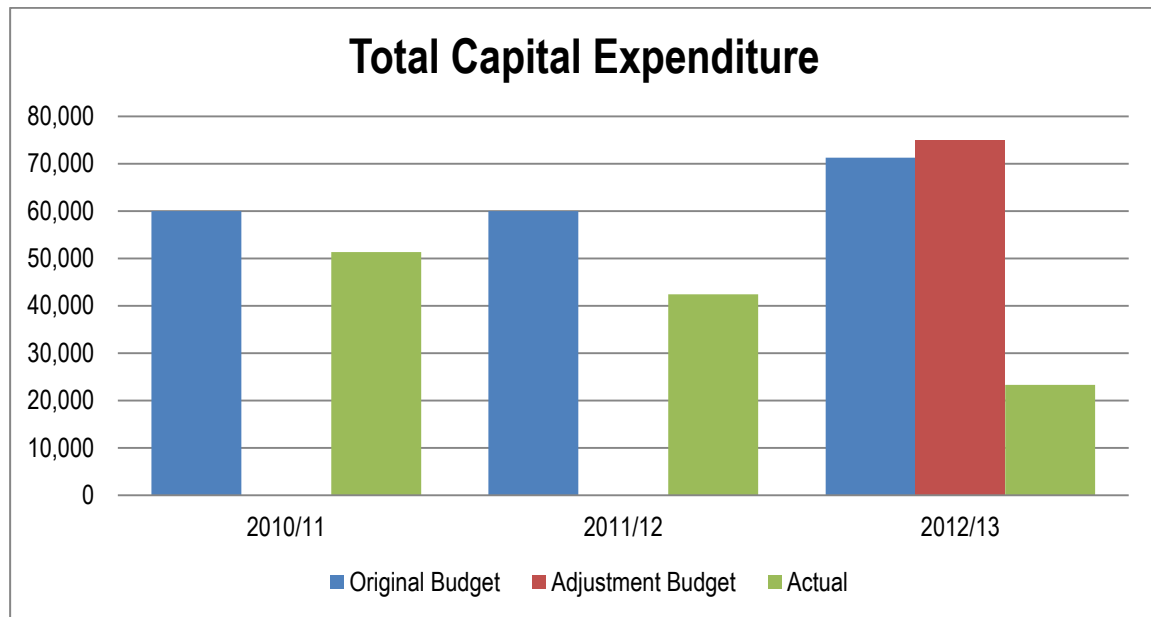
T1.4.1

Financial Overview – 2012/13			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	133 147	125 297	111 260
Taxes, Levies and tariffs	278 228	271 902	283 835
Other	47 701	24 820	29 779
Sub Total	459 076	422 019	424 874
Less Expenditure	455 063	419 502	478 701
Net Total*	4 013	2 516	(538)
* Note: surplus/(- deficit)			T1.4.2

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Operating Ratios	
Detail	%
Employee Cost	29.18
Repairs & Maintenance	23.74
Finance Charges & Depreciation	3.25
T1.4.3	

Total Capital expenditure			
Detail	R'000		
	2010/11	2011/12	2012/13
Original Budget	20,593,953	60,008,105	71,269
Adjustment Budget			75,000
Actual	51,364,651	42,447,841	23,289
T1.4.4			



T1.4.5

COMMENT ON CAPITAL EXPENDITURE:

Due to the cash flow challenges, we could not implement all our projects

T 1.4.5.1

Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Organizational development matters are to be re-enforced on annual basis following the organizations wide analysis outcome pertaining to attitudes, belief and values of employees in order to adapt the organization to the external environment. During the 2012/2013 Msukaligwa municipality re-enforced the implementation of the following organizational development interventions

WORKPLACE SKILLS PLAN

Employees and councilors were exposed to capacity building interventions to enhance their skills in accordance with the 2012/2013 workplace skills plan.

BATHO PELE SERVICE STANDARDS

Batho Pele service standards were approved by council for implementation. The municipality encountered a problem in cascading the service standards to all employees but the program of action is developed to ensure that the standards are implemented by the organization.

EMPLOYMENT EQUITY PLAN

The Municipality made efforts to implement equity plan in accordance with the targets set in the plan but there were challenges caused by recruitment deviation which hampered the achievement of the stipulated targets.

EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM

Msukaligwa Municipality intended to cascade the employee performance management system to all employees on post level 1 to 5 but the plan could not succeed due to the lack of clear policies that provide incentives for the employees. The Municipality requested SALGA for hands-on support to cascade performance management to employees on post level 1 to 3. It is envisaged that SALGA will commence with the PMS hands –on support in the new financial year 2013/2014

T1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 2011/12

The municipality has received a disclaimer Audit Opinion with other matters. The other are matters are as follows:

- Financial reporting framework
 - Material inconsistency in other information.
 - The supplementary explanations of budget variances do not form part of the financial statements.
- Governance Framework
 - Report on performance was found to inconsistent the indicators and targets as per approved IDP.
- Compliance with laws and regulations
 - The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements in capital assets, current assets, liabilities, and revenue, expenditure and disclosure items identified by the auditors

The full report of the Auditor General is attached as Appendix Volume II

T 1.6.1

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1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft 11/12 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	

T1.7.1

Chapter 2

CHAPTER 2 – GOVERNANCE

2.1 POLITICAL GOVERNANCE

POLITICAL STRUCTURE



EXECUTIVE MAYOR
Councillor J.S. Bongwe



SPEAKER
Councillor B.M. Vilakazi



CHIEF WHIP
Councillor N.G. Mashinini

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MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE



Councillor M. P. Nkosi

MMC for Technical Services, Community Services and Public Safety.



Councillor V. C. N. Madini

MMC for Corporate Services and Finance

T2.1.1

COUNCILLORS

Refer to **Appendix A** where a full list of Councilors can be found (including committee allocations and attendance at council meetings).

T2.1.2

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Msukaligwa Municipality achieved administrative governance by complying to municipal legislation and regulations as follows:

1. The IDP for 2012/2013 financial year was adopted in accordance with the systems act.
2. The SDBIP (Service Delivery and Budget Implementation Plan) for 2012/2013 was approved by the Executive Mayor in accordance with the provisions of the MFMA.
3. Performance agreements for 2012/2013 financial year were signed within the 1st month of the financial

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- year and submitted to the MEC for Corporate Governance as per the provisions of the performance regulations.
4. Performance Management is implemented at the strategic level for Section 57 employees as required by the Municipal Systems Act.
 5. The Audit committee meeting is held once every quarter.
 6. Mid- year performance reports for 2012/2013 were submitted to council as per Section 72 of the MFMA including the 3rd and the 4th quarter SDBIP reports.
 7. The municipality engaged the services of consultants to rectify errors identified by the Auditor General pertaining to administrative governance.
 8. The municipality filled the positions of Director Corporate Services and Director Public Safety within the period of 90 days after the positions became vacant.

CHALLENGES

1. There have been challenges in terms of collection of revenue in the financial year 2012/2013 and a financial recovery plan has been developed and approved by Council as a means to enhance our revenue collection.
2. Certain areas in Ermelo/Wesselton could not be provided with bulk water supply for a lengthy period due to low water levels at our raw supply dams. The municipality had to hire water tankers to supply water to the affected communities as an interim intervention. The municipality had to seek assistance from the Department of water affairs and temporary line was installed from the Southern works to the Northern works to boost supply to Ermelo/Wesselton affected areas.

T2.2.1

TOP ADMINISTRATIVE STRUCTURE



MUNICIPAL MANAGER
Mr. T.B.W. Dlamini

TIERS 2

Chapter 2

DIRECTORS

Mr N L Maimela
Director: Corporate Service

Ms T M Lengwate
Director: Finance

Mr. D I Maluleke
Director: Public Safety

Mr. T S Dondolo
Acting Director: Community Services

Mr H F Bezuidenhout
Acting Director: Technical Services

T2.2.2

Msukaligwa Municipality advertised for the following section 57 positions during the financial year 2012/2013:

1. Director Technical Services
2. Director Community Services

Applications were received but there were no suitable candidates for consideration. Therefore the two section 57 positions could not be filled.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

Meetings attended include the **Provincial Planners Forum, District IDP Management Committee, District and Local IDP Rep Forum and District and Local Technical Committee Meetings.**

In Provincial Planners Forum, the planning cycles of the provincial government and the municipal planning cycles are discussed in order to have a common understanding on how these cycles complement each other and how best can municipal planning be timed to assist in contributing to the provincial planning process. These meetings have benefited the municipality to have a better understanding on how our planning cycles influence the proper planning of other spheres of government.

The District or Local forums and committees provide a platform for interaction on planning issues, information sharing and learning from best practices between municipalities and other spheres of government. There has been a great improvement on the packaging of our IDP and valuable information was obtained from these meetings or forums.

T2.3.2

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality remains accountable to its constituent communities hence the importance of inculcating the culture of accountability and participatory governance. Service delivery priorities are being guided by the needs of the community, Provincial and National priorities, plans and directives while the municipality is accountable to render such services that fall within the functions of the municipality. The municipality is therefore held accountable through the IDP and the Service Delivery and Budget Implementation Plan (SDBIP) which are publicised for public interest. The public is through these documents able to hold the municipality accountable on the commitments made and to monitor progress against the set targets on service delivery.

With regard to participatory governance, the municipality has in collaboration with sector departments and other stakeholders established forums in which various stakeholders participate in planning, sharing information, decision making and implementation of plans. The forums and committees include amongst others the stakeholders representative forums like LED forum, IDP Rep forum, Communications forum, MM's forum, CFO's forum and other provincial, district and local technical committees established to ensure representative governance. It should also be noted that some of the forums are coordinated at both the district and local municipality level while some are coordinated either at local or district level only. We have over the past years experienced poor participation of government sectors in some of the forums and it has improved after the intervention of the provincial Department of Cooperative Governance and Traditional Affairs stepped in to assist with the coordination of the meetings.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Communication to the public on matter of public interest is communicated through various media as provided in terms Section 21 of the Municipal Systems Act, 2000. These include the use of local newspaper, radio broadcast, information pamphlets, notices on notices boards, loud hailing ward committee meetings and ward community meetings. Matters communicated to public are in most cases service delivery issues including the municipal plans, performance, developments, achievements, services interruptions and related matters. Various consultative forums have been established to ensure participation of the community and other stakeholders in the planning, implementation, monitoring and evaluation of service delivery programmes and projects. These forums include but not limited to LED forum, IDP Representative forum, Communicators Forum, Community Safety Forum, Ward Committees and other technical committees.

The starting point in the whole process of community participation is during the development of the IDP in which community meetings are held to give feedback to communities on the performance of the municipality in the past year as well as gathering information on new challenges and community priorities to assist the municipality in planning and allocation of resources. The information gathered forms the basis for the municipality's strategic planning which eventually guide the allocation of resources and preparation of the draft budget which is also consulted through community meetings and publications on print media. Public consultative meetings are usually held after hours and during weekends to ensure maximum participation of community members and notices are given at least a week in advance through publication in newspapers and flyers. Loud hailing is done a day before a meeting to remind the community of the scheduled meeting.

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The IDP Representative forum, chaired by the Executive Mayor, therefore plays an important role in that it creates a platform for consultation with various stakeholders wherein the performance of the IDP and the budget is discussed and monitored. It should also be borne in mind that there are other committees and forums that provide reports and recommendation to the IDP Representative forum and some of those forums have been mentioned above.

T2.4.1

WARD COMMITTEES

The main objective of ward committees is to enhance participatory democracy in local government. They are made up of elected members of a ward to raise issues of concern about the local ward to the ward councilor and have a say in decisions, planning and projects the council or municipality undertakes which have an impact on the ward. The key issue addressed was to identify indigents and to encourage them to register for the subsidization of services as per municipal indigent policy. Refer to **Appendix E** which contains further details on ward committee governance and to **Appendix F** that contains performance data on a ward basis.

T2.4.2

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The municipality and the public benefit from the meetings in that the municipality is able obtain priority service delivery issues within communities to assist in the planning process. These meetings also serves as platform for reporting back to communities on service delivery commitments made by the municipality as well as affording the public to air their views and concerns. The public contributions are therefore assisting the municipality to properly plan for the years ahead.

T2.4.3.1

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T2.5.1

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COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

RISK MANAGEMENT

The municipality needs to have system that is proactively and continuously identify, evaluate, analyse, measure and manage risks that might directly affect the municipality so that it is able to put in key controlling measures in addressing those risks. The risk management unit helps in identifying and putting measures as to contain, avoid or transfer the risk concerned.

Currently there are systems in place to monitor the identified risks but there are residual risks that remain.

The following are the top five risks identified in the municipality:

- Inadequate performance management system;
- Lack of reliable, safe machinery in delivering effective services as expected by our community;
- Ineffective fleet management system;
- Disrupted business continuity; and
- Inadequate contract management.

T2.6.1

2.7 BY-LAWS

By-laws Introduced during 2012/13				
Newly Developed	Date Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	Date of Publication
None				

T2.9.1

2.8 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	<Yes / No>	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	21-June 2011
All current budget-related policies	Yes	03 August 2011
The previous annual report (2011/2012)	Yes	05 May 2010

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The annual report (2012/2013) published/to be published	No	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2012/13) and resulting scorecards	No	None
All service delivery agreements (2012/2013)	Yes	04 July 2012
All long-term borrowing contracts (2012/2013)	No	None
All supply chain management contracts above a prescribed value (give value) for 2012/2013	No	None
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2012/2013	Yes	None
Contracts agreed in 2012/2013 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	None
Public-private partnership agreements referred to in section 120 made in 2012/2013	Yes	04 November 2012
All quarterly reports tabled in the council in terms of section 52 (d) during 2012/2013	Yes	05 October 2012
Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.		
		T2.10.1

COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipal website and intranet is not constantly updated despite efforts by the Communication Unit and other sections to provide relevant information for regular update of items including the restructuring, segmentation and prioritization of items to be posted in the Municipal Website in which the challenge of shortage of staff personnel including the appointment of the Webmaster to work on full time basis was reported in a myriad of meetings with the service provider responsible as a serious cause for concern however it is axiomatic to note that communication is the strategic management function which operates within the confines of the constitutional imperatives in which both administrative and political responsibilities are strategically discharged as guided by the SALGA guidelines and GCIS standards to manage the flow of information in both the internal and external communication clusters of the municipality.

Media monitoring, media planning, media liaison, research, event management activities, municipal website content management, Gert Sibande District newsletter compilation, environmental scanning and packaging of accurate information dissemination are some of the key performance areas in which some responsibilities are shared with other local municipalities as a result of serious budgetary constraints.

The allocation of financial resources in terms of budget prioritization in every financial year for all the communication activities to be implemented as enshrined in the Council Approved Policy and Communication Strategy are some of the worrying factors at the period in which the municipality is said to be operating under a very shoe-string budget as wrestling to realise its constitutional obligation such as the provision of basic services.

Chapter 2

The challenge of unmediated communication, lack of integration and coordination amongst the municipal departments as well as the challenge of unfunded mandate in the communication environment are a few of the frustrations in hampering the performance of the communication section.

The communication clusters comprising of all the communicators in the Gert Sibande District had reached some greater heights in attempting to circumvent some of the fundamental challenges facing the communication components despite a myriad of requests for strategic intervention being made to other sector departments however the Gert Sibande District Department of Communications had been very helpful to the local municipalities.

The outsourcing of the Information Technology (IT) is still a cause for serious concern in the municipal website content management as there is no direct control in the operations of the Municipal website and intranet update, suggestions that IT Section should be amongst the fully fledged units in the organisational structure of the municipality will serve as a panacea to a number of jigsaw puzzles facing the municipality in which strategic planning is the key aspect of developmental communication.

T2.10.1.1

2.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The surveys will be done in the next financial years.

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

Msukaligwa is a water services authority, and provide water to all households

Due to the lack of underground water in some rural areas, i.e. Warburton the water supply is not consistent and the underground water protocol cannot be exercised.

Due to the drought situation in Ermelo/Wesselton consistent water supply to all residents failed to an extent that DWA assisted and appointed Rand Water as consultants for the project, additional work will also be done in the near future through the RBIG project and the upgrading of the purification plants funded by GSDM.

Long-term solutions are in the planning stage and are awaiting capital funding.

Due to the lack of available resources, i.e. personnel, equipment and stock items that are not available, these create delays in service delivery.

No major water projects were done due to a lack of funds in the 2012/2013 financial year. Old infrastructure causes regular pipe burst that affects the constant supply of water to residents.

T3.1.1

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2010/11	0	0	0	4123689	27%
2011/12	0	0	0	4083861	29%
2012/13	0	0	0	4727943	36%

T3.1.2

Chapter 3

Water Service Delivery Levels				
Description	Households			
	2009/10 Actual No.	2010/11 Actual No.	2011/12 Actual No.	2012/13 Actual No.
<u>Water: (above min level)</u>				
Piped water inside dwelling	27,103	27,405	21,707	21,707
Piped water inside yard (but not in dwelling)	6,129	7,192	10,248	10,248
Using public tap (stand pipes)				
Other water supply (within 200m)	1,016	1,388	2,614	2,614
<i>Minimum Service Level and Above sub-total</i>	34,248	35,985	34,569	34,569
<i>Minimum Service Level and Above Percentage</i>	86%	90%	84%	84%
<u>Water: (below min level)</u>				
Using public tap (more than 200m from dwelling)	3,621	1,788	2,586	3,166
Other water supply (more than 200m from dwelling)	0	0	0	0
No water supply	1,860	2,334	3,777	3,197
<i>Below Minimum Service Level sub-total</i>	5,481	4,122	6,363	6,363
<i>Below Minimum Service Level Percentage</i>	14%	10%	16%	16%
Total number of households*	39,729	40,107	40,932	40,932
* - To include informal settlements				T3.1.3

The wording “within/more 200m from dwellings” be replaced with “stand pipes” as it challenging to measure.

Households - Water Service Delivery Levels below the minimum						
Description	Households					
	2009/10 Actual No.	2010/11 Actual No.	2011/12 Actual No.	2012/13 Original Budget	Adjusted Budget	Actual No.
Formal Settlements						
Total households	34,248	35,985	34,569	34,569	34,569	34,569
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0	0	0	0	0	0
Informal Settlements						
Total households	5,481	4,122	6,363	6,363	6,363	6,363
Households that's below minimum service level	5,481	4,122	6,363	6,363	6,363	6,363
Proportion of households that's below minimum service level	100%	100%	100%	100%	100%	100%
						T3.1.4

Chapter 3

Water Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Indicators								
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Number of households without access to basic water	Reduction in number of households without access to water supply	2841	2241	3582	3663	3363	2522	1681
Percentage of damaged water pipes repaired within 24hrs after being reported.	Water pipe bursts repaired or replaced within 24hrs of being reported.	N/A	N/A	95%	500 (100%)	450 (100%)	466 (100%)	100%
Percentage of households with access to higher level of water	Reduction in number of households without access to water supply	95%	95%	N/A	N/A	N/A	N/A	N/A
Percentage water quality samples in the network failing the E-coli test	Quality water supplied to the community	0%	0%	0%	0%	N/A	N/A	N/A
Number of households with access to basic water	Increase the number of households accessing water supply	37773	38297	38297	41456	N/A	N/A	N/A
T3.1.6								

Chapter 3

Employees: Water Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	2	1	1	0	0
7 - 9	5	9	5	4	44%
10 - 12	10	19	8	11	58%
13 - 15	0	2	0	2	0
16 - 17	17	30	22	8	27%
Total	35	62	37	25	40%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T3.1.7

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Due to the lack of available resources, i.e. personnel, equipment and stock items that are not available, these create delays in service delivery.

In addressing the sanitation issue, a number of VIP toilets were installed in the rural areas. Though water borne sewer is provided in the urban areas the ageing infrastructure remains a challenge causing regular blockages that cause effluent overflows.

Due to budget constraints, the opening of blockages cannot be attended to immediately as a result of personnel, equipment and stock shortages. These therefore result in reduction of service delivery standards.

Implementation of almost all capital projects is carried out from external funding or grants, as Council does not have enough funds.

T3.2.1

Chapter 3

Sanitation Service Delivery Levels				
*Households				
Description	2009/10	2010/11	2011/12	2012/13
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	32477	29962	28910	28910
Flush toilet (with septic tank)	0	0	912	912
Chemical toilet	0	0	321	321
Pit toilet (ventilated)	303	842	1398	1702
Other toilet provisions (above min. service level)	0	0	0	0
<i>Minimum Service Level and Above sub-total</i>	32780	30804	31541	31845
<i>Minimum Service Level and Above Percentage</i>	75%	77%	77%	78%
<u>Sanitation/sewerage: (below minimum level)</u>				
Bucket toilet	427	0	0	0
Other toilet provisions (below min. service level)	7881	6681	6947	6947
No toilet provisions	2594	2621	2444	2140
<i>Below Minimum Service Level sub-total</i>	10902	9302	9391	9087
<i>Below Minimum Service Level Percentage</i>	25%	23%	23%	22%
Total households	43681	40106	40932	40932
*Total number of households including informal settlements				T3.2.3

Chapter 3

Waste Water (Sanitation) Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Indicators								
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Percentage of waste water treatment facilities which meet the required effluent standards	All waste water treatment plants meeting the required effluent standards	70%	70%	97.4%	94%	98%	96%	96%
Percentage network blockages attended to within 48 hours after being reported	Reported sewer network blockages attended to within 48 hours of being reported.	90%	95%	96%	100%	100%	95%	100%
Number of households provided with at least VIP toilets during this period	Rural areas without access to water borne sewer provided with VIP toilets.	500	500	700	700	885	750	403
% of households with access to higher level of sanitation	Increase in number of households provided with access to higher level of sanitation services	N/A	N/A	79%	77%	79%	78%	80.2%
Number of households with access to basic sanitation	Increase in number of households having access to basic level of sanitation.	36755	37485	31541	31541	32426	31845	32829
T3.2.6								

Chapter 3

Employees: Sanitation Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	1	1	0	1	0
7 - 9	19	15	11	4	27%
10 - 12	7	10	6	4	40%
13 - 15	1	4	1	3	75%
16 - 17	21	27	23	4	14%
Total	50	58	52	16	28%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T3.2.7

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The electrical infrastructure is ageing and needs refurbishment. The Master plan has been developed to address the operation and maintenance challenges. Council is the service provider in Ermelo, Wesselton, Kwa-Dela, Breyten and Silindile. The rest of the admin units in Msukaligwa get electricity from ESKOM

Service delivery cannot be performed as required due to the following reasons:

- Lack of staff and equipment
- Limited funding from DoE for electrification of projects (RDP)
- Shortage of material at the stores that is needed for breakdowns
- No maintenance is taking place on the substations due to budget constraints

T3.3.1

Chapter 3

Electricity Service Delivery Levels				Households
Description	2009/10	2010/11	2011/12	2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Energy: (above minimum level)</u>				
Electricity (at least min. service level)			3055	2726
Electricity - prepaid (min. service level)			9917	8948
<i>Minimum Service Level and Above sub-total</i>	–	–	12972	11674
<i>Minimum Service Level and Above Percentage</i>			59%	57%
<u>Energy: (below minimum level)</u>				
Electricity (< min. service level)			2	2
Electricity - prepaid (< min. service level)			8881	10158
Other energy sources				
<i>Below Minimum Service Level sub-total</i>	–	–	8883	10160
<i>Below Minimum Service Level Percentage</i>			41%	46%
Total number of households	–	–	21855	21834
				T3.3.3

Chapter 3

Electricity Service Policy Objectives Taken From IDP								
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Number of households that were provided with a legal electricity connection, for the first time, during the period	Eradication of electricity backlogs	318	375	992	1032	570	710	1102
Number of households with access to electricity provisioning	Eradication of electricity backlogs	26405	26462	27959	30599	31169	31309	32638
Number of electricity outages reduced	Reduction in power outages from the municipal network	N/A	N/A	N/A	N/A	0	38	36
Number of electricity substations maintained	Reduction in power outages from the municipal network	N/A	N/A	N/A	N/A	0	51	179
Percentage of households with access to higher level of electricity	Eradication of electricity backlogs	85%	85%	88%	94%	76%	76%	78%
Number of high mast lights erected	Provision of public lighting and reduction of crime	10	10	0	12	0	0	0
% electricity meter	Sustainable power	6%	6%	25%	0	0	0	0

Chapter 3

Electricity Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	
Service Indicators								
kiosks maintained	supply							
% compliance of sub-station maintenance plan	Sustainable power supply	40%	30%	40%	5%	4%	28%	0
Percentage Electricity cut-offs executed within 2 days	Enhanced revenue collection	100%	100%	100%	100%	100%	100%	0
Number of pre-paid meters installed	Eradication of electricity backlogs	N/A	N/A	0	564	1200	1191	0
Number of new electricity connections (except RDP houses)	Eradication of electricity backlogs	N/A	N/A	0	1578	600	205	0
T3.3.5								

Chapter 3

Employees: Electricity Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	3	3	3	0	0
7 - 9	16	21	15	6	29%
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 17	13	16	13	3	19%
Total	33	41	32	9	22%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p>					
T3.3.6					

A narrative providing information on the staff critical to service delivery and shortage hereof to accompany the above table on all municipal services. Municipalities should report for employees where cost centers are allocated.

Chapter 3

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

The waste removal unit of the municipality renders solid waste removal from households, businesses, schools, health facilities and other community facilities. These services include cleaning of public open spaces and streets at both towns and townships. Household waste is removed on a weekly basis in accordance with the National Standards while removal at businesses takes place on a daily basis. Our landfill sites do not accommodate hazardous waste and therefore such industries make necessary arrangements with areas that cater for such waste. Industries producing such waste arrange their own transportation of the waste to the registered sites.

The municipality is currently operating one registered landfill site situated in Ermelo while the others are not registered due to areas they are situated in. The soil conditions of the said areas make it impossible to register such landfill sites. Due to the method in which waste is collected, it is impossible to do recycling at the landfill site hence private individuals collect some of the waste from residential and businesses for recycling.

T3.4.1

Solid Waste Service Delivery Levels				
Description	Households			
	2009/10 Actual No.	2010/11 Actual No.	2011/12 Actual No.	2012/13 Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	23,587	24,617	26,810	26,810
<i>Minimum Service Level and Above sub-total</i>	23,587	24,617	26,810	26,810
<i>Minimum Service Level and Above percentage</i>	54%	61%	65%	65%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	0	0	0	585
Using communal refuse dump	987	1,015	1,270	1,270
Using own refuse dump	13,681	9,028	8,549	8,549
Other rubbish disposal	3002	2,225	404	404
No rubbish disposal	2423	3,221	3,767	3,314
<i>Below Minimum Service Level sub-total</i>	20093	15,489	14,122	14,122
<i>Below Minimum Service Level percentage</i>	46%	39%	35%	35%
Total number of households	43,681	40,106	40,932	40,932

T3.4.2

Chapter 3

Waste Management Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	
Service Indicators								
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Reduced backlog in number of households without access to waste collection	Reduced number of households without access to refuse or waste collection.	0	0	0	10847	10847	10847	8678
Reduced backlog in Number of rural schools without access to waste collection	Increase in rural schools with access to refuse or waste collection services.	0	0	0	0	25	0	5
Reduced backlog in number of clinics without access waste collection	Increase in number of clinics with access to refuse or waste collection services.	0	0	0	2	2	2	2
% of households with access to basic to higher level of solid waste removal	Increase in number of households with access to refuse or waste collection.	85%	85%	85%	65%	65%	65%	0
# of landfill sites audit reports compiled	Compliance to environmental management legislation.	1	1	1	1	1	1	0
T3.4.4								

Chapter 3

Employees: Waste Disposal and Other Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100%
4 - 6	2	2	2	0	0
7 - 9	7	7	6	1	14%
10 - 12	0	0	0	0	0
13 - 15	9	9	9	0	0
16 - 17	77	92	90	2	2%
Total	95	111	107	4	4%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.4.5

3.5 HOUSING

INTRODUCTION TO HOUSING

The Municipality is not yet accredited as a services provider for housing and we are currently assisting the Department of Human Settlements with the facilitation process for provision of houses.

The facilitation processes include the compilation and maintenance of the housing waiting list and the provision of land, sites and rental stock for housing purposes. The Department of Human Settlements is responsible for approvals of beneficiaries, funding and implementation of the housing projects.

By the end of 2012/13 the potential beneficiaries on waiting list was at 14 306 which implies that there is still quite a significant number of people awaiting to be housed. We have over the past year through the Department of Human Settlement managed to provide 561 low cost houses to the Community.

T3.5.1

Chapter 3

Housing Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Indicators								
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Percentage of households with access to formal housing	All citizens provided with formal houses and basic services and eradication of informal settlements	64%	64%	70%	85%	75%	82%	0
Number of households on housing beneficiary waiting list allocated formal sites	All citizens provided with formal houses and basic services and eradication of informal settlements	1184	0	300	366	0	900	0
Number of households that gained access to formal housing through subsidy approval	All citizens provided with formal houses and basic services and eradication of informal settlements	327	0	727	479	48	48	0
Number of houses completed by Provincial dept of housing	All citizens provided with formal houses and basic services and eradication of informal settlements	727	0	465	475	48	48	0
Number of illegal land invasion eradicated per informal settlement	All citizens provided with formal houses and basic services and eradication of informal settlements	0	0	0	12	2	6	2

Chapter 3

Housing Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
Service Indicators		Target	Actual	Target	Actual	Target	Actual	Target
Number of application forms captured in the housing waiting list database	All citizens provided with formal houses and basic services and eradication of informal settlements	0	0	0	5672	1134	14 306	1134
Number of consumer education conducted per unit	All citizens provided with formal houses and basic services and eradication of informal settlements	0	0	0	6	6	0	6
Number of informal settlements verifications conducted	All citizens provided with formal houses and basic services and eradication of informal settlements	0	0	0	8	2	2	0
T3.5.3								

Chapter 3

Employees: Housing Services					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Posts No.	Employees No.
0 - 3	1	1	1	1	1
4 - 6	0	0	0	0	0
7 - 9	5	7	5	7	5
10 - 12	1	3	1	3	1
13 - 15	0	0	0	0	0
16 - 17	0	0	0	0	0
Total	7	11	7	11	7

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.5.4

A narrative providing information on the staff critical to service delivery and shortage hereof to accompany the above table on all municipal services. Municipalities should report for employees where cost centers are allocated.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The indigent household subsidy policy was approved as part of budget related policies in 30 May 2012. The municipality supported 9200 indigents in **2012/13** financial year. The municipality budgeted **R38,551,931** from equitable share to support indigents as follows:

- * 6kl free water
- * 50kw basic electricity
- * Free refuse removal
- * Free sanitation services

A total arrear debt of **R20,830,340** in relation to indigent households consumers being balances on these accounts before being approved as indigent consumers was written off by municipal council.

The following table illustrates how the indigent households were supported in **2012/13**

Table 6.7: Support to indigent households

Electricity	Water	Sewer	Refuse	Rates	Total Amount
10,155	36,000	9,200	10,155	10,155	31,325,849

Chapter 3

COMPONENT B: ROAD AND STORMWATER

This component includes: roads; transport; and waste water (storm water drainage).

3.7 ROADS AND STORM WATER MANAGEMENT

INTRODUCTION TO ROADS AND STORM WATER MANAGEMENT

Road access needs to be provided to all residents in Msukaligwa. Grants received from MIG and GSDM enables the Municipality to re-build gravel roads to a tar or paved surface. During the IDP process, projects are identified during community consultative meetings. Council takes final resolution on projects that will be implemented. Council does not have enough resources to attend to all the backlogs as a result of budget constrains.

Because of budget constraints, approximately 3 to 5 km's of roads can be constructed every year. Mayor roads projects were the re-building of Amsterdam road, re-building of road in Silindile, re-building of Pres. Fouché road. General continuous maintenance are done on Tar roads by means of re-surfacing and pothole repairs,

Storm water systems are cleaned and broken pipes replaced. Inlet structures are repaired and new inlet structures build. Gravel roads are graded continuously, and new gravel imported to repair roads sidewalks are maintained by replacing broken concrete tiles, as well as constructing new sections where and when needed.

T3.7.1

Gravel Roads Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt or paved	Kilometers Gravel roads graded /maintained
2010/11	168	3	3.68	167,3
2011/12	170	2	4.9	168
2012/13	251	0	4.5	251
T3.7.2				

Replace the word "Tarred" with "Asphalt".

Asphalted Roads Infrastructure					
					Kilometers
	Total asphalted and paved roads	New asphalt or paved roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt and paved roads maintained
2010/11	237 km	3,68 km	0 km	1,0 km	237 km
2011/12	242 km	4,9 km	0 km	1,6 km	242 km
2012/13	245,5km	4.5 km	0 km	0 km	245,5 km
T3.7.3					

Chapter 3

Roads and Storm Water Management Service Policy Objectives Taken From IDP								
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Objective: To Provide Sustainable Basic Services and Sustainable Infrastructure								
Km of roads upgraded from gravel to tar or paved surface with storm water measures	Well maintained roads infrastructure and storm water drainage systems	3.2	3.7	4.1	4.48	4.5 km	4.5 km	4 km
Amount spent on roads maintenance as % of total roads asset value	Well maintained roads infrastructure and storm water drainage systems	0.37%	0.1	2.5%	961 037	0	0	0
Percentage of municipal roads that meets minimum required standards	Well maintained roads infrastructure and storm water drainage systems	90%	90%	90%	90%	90%	90%	90%
Km of tar roads re-surfaced	Well maintained roads infrastructure	7	1	20	2.1	5 km	0km	5 km
Number of potholes fixed	Well maintained roads infrastructure	N/A	N/A	N/A	3912	1000	10 244	1000
Number of storm water systems attended to	Well maintained storm water drainage system	N/A	N/A	N/A	242	200	229	220
T3.7.6								

Chapter 3

Employees: Roads and Storm Water Management Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	9	11	9	2	18%
10 - 12	6	7	6	1	14%
13 - 15	10	10	9	1	11%
16 - 17	27	41	25	16	39%
Total	54	71	51	20	28%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.7.7

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT	
The municipality does not operate transport services. Transport services are operated by private organizations.	T3.8.1

COMMENT ON THE T PERFORMANCE OF TRANSPORT OVERALL:	
As mentioned above the municipality does not operate transport services and these services are provided by private organization. The municipality's role is to give support to the organization and provide necessary infrastructure to enable the sector operate.	T3.8.7

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 PLANNING

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Planning application received	1	0	22	14	309	439
Determination made in year of receipt	1	0	0	0	249	387
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	2	0	60	52
Applications outstanding at year end	0	0	20	14	60	52

T3.10.2

Chapter 3

Planning Policy Objectives Taken From IDP								
Service Objectives Service Indicators	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	
Service Objective: To ensure integrated long term planning								
Number of the Adopted IDP/ Budget Process Plan tabled to Council.	IDP/budget process plan developed and approved by Council every year	1	1	1	1	1	1	1
Number of community consultative meetings (IDP/Budget) held	Encourage community participation in the affairs of the municipality.	32	32	38	34	38	34	38
Number of IDP Rep-Forums held	Strengthened intergovernmental relations	4	4	4	2	4	1	4
Number of IDP Technical Committee Meetings held	Strengthened intergovernmental relations	2	2	2	2	2	1	1
Number of hectares of unproclaimed land to be established.	Provide a well structured town planning services	N/A	N/A	N/A	N/A	10ha.	40ha.	10ha.
No. of reported contraventions of buildings plans/rezoning resolved	Provide a well structured town planning services	N/A	N/A	Reporting only	8	2	10	2
T3.10.3								

Chapter 3

Employees: Planning Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4	1	2	2	0	0
5 - 6	3	7	4	3	42%
7 - 9	1	2	1	1	50%
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 17	0	0	0	0	0
Total	7	13	9	4	31%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.10.4

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The major project in the planning unit was the formalization of informal settlements within the municipality so that the affected communities could have basic services.

T3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all.

Key stakeholders in LED planning, implementation and evaluation are:

- Government
- Private sector
- Community structures

The development of the LED strategy for Msukaligwa Local municipality was viewed as part of the broader LED Planning process and the development of this strategy took into account work previously done as well as the new developments.

The LED Vision Elements and Objectives:

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Key Vision Elements:

- Creation of job opportunities and the empowerment of local communities.
- Accessible and readily available information for SMME development and support.
- Sustainable growth and development based on sectoral competitiveness of the local space.
- Addressing socio-economic challenges faced by local communities, such as poverty, unemployment and skills levels.
- Infrastructure development for local economic growth.

Economic Activity by Sector			
			R '000
Sector	2010/11	2011/12	2012/13
Agric, forestry and fishing		14.5	19.5
Mining and quarrying		10.0	10.0
Manufacturing		0.7	5.7
Wholesale and retail trade		20.2	17.6
Finance, property, etc.		10.2	6.2
Govt, community and social services		21.1	20.7
Construction services		8.9	4.7
Transport		5.5	5.7
Utilities		0.8	0.8
Private Households		8.1	9.1
Total	0	100	100
T3.11.2			

Jobs Created during 2012/13 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2009/10	20	18	20	Through War on Water Leaks Project
2010/11				
2011/12	15	15	15	Tourism Ambassador Programme
Initiative A (11/12)	25	25	25	SETA – Business Skills Development
Initiative B (11/12)	6	6	6	Tissue Manufacturing Project supported by Mashala Mine
Initiative C (11/12)	15	15	15	Arts and Culture Training (Sewing and Beads) Project supported by Provincial Department of Arts and Culture through Nomatter Trading
Initiative D (13/14)	15	15	15	Business Practice Learnership (SETA) through Zonke ReKaofela Training Services
T3.11.5				

Chapter 3

Job creation through EPWP* projects		
Year	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2009/2010	16 Projects	400 Jobs Created
2010/2011	12 Projects	234 Jobs Created
2011/2012	6 Projects	80 Jobs Created
2012/2013	5 Projects	128 Jobs Created
* - Extended Public Works Programme		
T3.11.6		

Chapter 3

Local Economic Development Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	
Service Indicators								
Service Objective: To encourage shared economic growth and development								
Number of LED Forum Meetings held	Functional Local economic development forum	4	4	4	2	4	1	4
Number of Corporatives supported and registered	Support provided to SMMEs	N/A	N/A	N/A	20	5	5	5
Number of tourism promotion events held	Tourism promoted within the municipality	N/A	N/A	N/A	N/A	1	1	1
# of SMMEs and youth empowered in various sectors	Youth empowered in business skills.	100	15	100	50	N/A	N/A	N/A
Number of SMMEs supported in sourcing funds/ % of SMMEs able to access funds	Small businesses assisted in accessing funds	80	10	50	0	N/A	N/A	N/A
# of recycling initiatives for SMMEs empowerment	Creating job opportunities for SMMEs	4	1	N/A	N/A	N/A	N/A	N/A
								T3.11.7

Chapter 3

Employees: Local Economic Development Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	1	1	1	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 17	0	0	0	0	0
Total	3	3	3	0	0

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

3.12 LIBRARIES AND COMMUNITY FACILITIES

INTRODUCTION TO LIBRARIES AND COMMUNITY FACILITIES

The Public Libraries of Msukaligwa are a local gateway to knowledge, they provide a basic condition for lifelong learning, independent decision-making and cultural development of individual and social groups. The Libraries are established, supported and funded by Msukaligwa Municipality. The Provincial government assists in the provision of some functions such as purchasing of library material by allocating funds of such function. Msukaligwa Libraries provide access to information, knowledge and works of the imagination through a range of resources and services and are our libraries are equally available to all members of the community regardless of race, nationality, gender, religion, language, disability, economic and employment status and educational attainment.

The Libraries have been able to provide resources and services in variety of media to meet the needs of individuals and groups for education, information and personal development including recreation and leisure. They are constantly playing an important role in the development and maintenance of a democratic society by giving the individual access to a wide and varied range of knowledge, ideas and opinions. One of our achievements is to be able to create and strengthen the reading habits in children from early age. We have managed to engage schools when all the vicinities when these libraries operate to participate in activities of the libraries which are aimed enhancing and empowering them.

All Libraries are a local centre of information making all kinds of knowledge and information readily available to

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their users. One of our achievements as Msukaligwa Libraries we have managed to bridge a gap between the information rich and the information poor by providing public access to the Internet as well as providing information in traditional formats. We have that opportunity to be the electronic gateway to the information world. All eight libraries provides electronic corners in their libraries. These are sources of information which give free access to Internet, Personal Computers. Msukaligwa Libraries therefore continue to be provide services which are aimed at meeting the needs of the local communities and operating within the context of those communities.

T3.12.1

Chapter 3

Libraries Policy Objectives Taken From IDP								
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Objective: To ensure long term planning and provision of sustainable services delivery								
Number of library users within Msukaligwa	Informed communities	3000	3000	3000	9315	N/A	N/A	N/A
Percentage of book related fines recovered (R-Value recovered from fines/R-value fines issued)	Reduction in number of library material loss.	50%	60%	60%	100%	N/A	N/A	N/A
Number of library specific programmes and events organized	Informed communities	7	7	7	25	0	28	N/A
Number of young people participating in reading programmes	Inculcate the culture of reading amongst youth	0	0	0	0	50	3275	50
T3.12.3								

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Employees: Libraries and Community Facilities					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Posts No.	Employees No.
0 - 3	1	1	1	1	1
4 - 6	2	4	2	4	2
7 - 9	0	0	0	0	0
10 - 12	8	12	8	12	8
13 - 15	0	0	0	0	0
16 - 17	3	8	3	8	3
Total	14	25	14	25	14

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.12.4

Library Section functional posts which are reflected on the Organogram. Only 44% of these posts are filled. Posts are filled as per the approval given by the Council based on the funds which are available and how critical are those posts. The Library section has many critical posts which still need to be filled in.

3.13 CEMETORIES AND CREMATORIALS

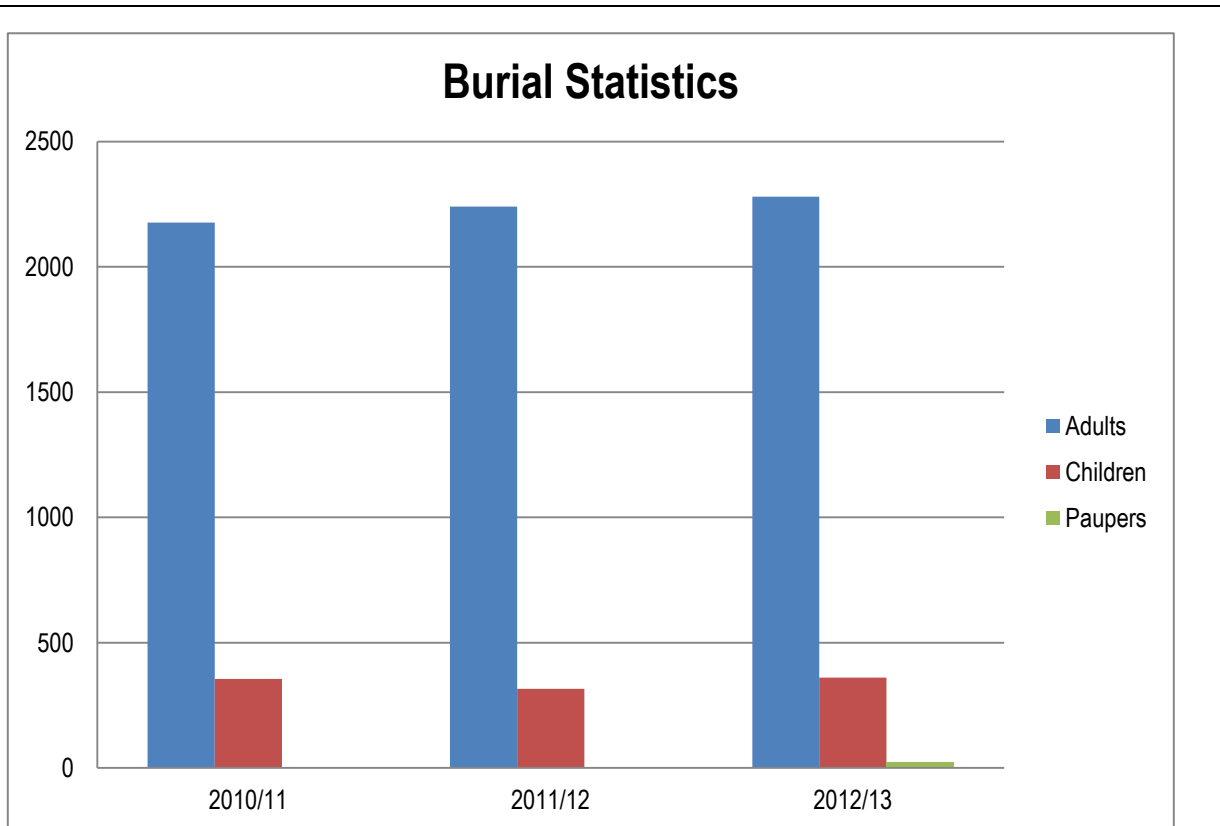
INTRODUCTION TO CEMETORIES & CREMATORIALS

The top priorities of the municipality are to provide burial space in relation to legislation and maintain them to the required standards, securing and fencing of the cemeteries and the enforcement of the by-laws. Msukaligwa municipality has 21 cemeteries of which 5 of them are still on operational state whereas 14 of them are closed. It is therefore imperative to provide community with burial facilities, that will able to meet the burial demand. We have during the 2012/13 financial year managed to fence 4 cemeteries.

T3.13.1

SERVICE STATISTICS FOR CEMETORIES & CREMATORIALS			
Type	2010/11	2011/12	2012/13
Adults	2176	2241	2280
Children	355	315	360
Paupers	0	0	21
			T3.13.2

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T3.13.2a

The burial statistics are only for those cemeteries that are registered. There are those areas where the burials are not accounted for due to the cemeteries or graveyards not registered. Some graveyards are located in private farms which we cannot account for.

Chapter 3

Cemeteries Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Indicators								
Service Objective: To provide sustainable basic services and sustainable infrastructure								
Number of new cemeteries established	To reduce burial space shortage and have formal cemeteries in areas where are no cemeteries	1	0	2	1	0	0	0
Number of cemeteries fenced	To have a proper secured fenced cemeteries	2	2	2	2	2	4	2
Number of complaints regarding cemetery services	To have an uninterrupted services delivery	6	5	5	4	0	4	0
Number of cemeteries maintained	Well maintained and aesthetic cemeteries	14	14	14	14	14	14	14
T3.13.3								

Chapter 3

Employees: Cemeteries					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Posts No.	Employees No.
Administrators					
0 - 3	1	1	1	1	1
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	1	3	1	3	1
16 - 17	15	23	15	23	15
Total	16	24	16	24	16

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.13.4

The staff components at the municipal units outside of Ermelo are not divided to specific tasks and they are doing rotational work from one division to the other. Only the Ermelo Unit staff is assigned to specific tasks. The other challenge in rendering proper services is obsolete equipment which we are unable to replace due to financial constraints. There is also high rate of unfilled vacancies as result shortage of funds.

COMMENT ON THE PERFORMANCE OF CEMETORIES OVERALL:

The most top priority projects were to fence all the existing and new cemeteries as well as establishment of new cemeteries at those areas where there are no cemeteries. Most of the cemeteries have been fenced and only 27% of the existing cemeteries have not been fenced and they in our plans to be fenced. The only outstanding area without registered cemetery is Warburton/Nganga of which we are in the process of acquiring land for the establishment of a cemetery.

T3.13.7

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

Child care, aged care and social programmes are not the competency of the municipality

T3.14.7

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

3.15 POLLUTION CONTROL

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

This function does not fall within the municipality's competency and is being deal with by the district municipality.

T3.15.7

3.16 BIO-DIVERSITY AND LANDSCAPE (INCL. OPEN SPACES AND SIDE WALKS)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

This services ranges from the administration, development and upgrading of parks, maintenance of open spaces, parks, sidewalks, street trees and general cleanness of the town and its grounds. The main priorities in the parks division is to repair and replace all dilapidated playing ground facilities, maintenance of parks, sidewalks and municipal terrains. Due to financial constraints and staff shortage most of these priorities could not be met. Support is given to communities during the cleaning campaigns through provision of equipment and cleaning material.

T3.16.1

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

The towns are divided into sections for the cleaning and cutting of grass as well as the general maintenance of parks and open spaces. Therefore the rotation on cutting of grass in parks, open spaces and sidewalks is completed on a monthly basis. Inadequate staff and equipment remains a challenge leading to some areas not attended to on time or as per maintenance plan.

T3.16.2

Chapter 3

Parks (Open Spaces) Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Target
Service Indicators								
Service Objective: To provide sustainable basic services and sustainable infrastructure								
% compliance to parks maintenance plan	Well maintained parks and sidewalks	100%	100%	100%	75%	100%	100%	0
# of community complaints regarding maintenance of parks and sidewalks	Reduce # of complains regarding parks and sidewalks maintenance	0	0	4	12	0	21	0
T3.16.3								

Chapter 3

Employees: Parks (Open Spaces)					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Posts	Employees
Administrators	No.	No.	No.	No.	No.
0 - 3	1	1	1	1	1
4 - 6	1	1	1	1	1
7 - 9	2	2	2	2	2
10 - 12	0	0	0	0	0
13 - 15	6	9	6	9	6
16 - 17	42	44	42	44	42
Total	52	57	52	57	52

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.16.4

COMPONENT F: HEALTH

3.17 HEALTH SERVICES

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH

The health services/function has been removed from the municipality to provincial Department of Health. The municipality provided support service to the department of health which include services and land construction of structures.

T.17.0

3.18 CLINICS

This is the Function of the Department of Health. The municipality only renders support services.

T3.18.1

Chapter 3

3.19 AMBULANCE SERVICES

This is the Function of the Department of Health and private ambulance services. Municipality renders support services where applicable.

T3.19.1

3.20 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

This is the Function of the District Municipality and the local municipality renders support services.

T3.20.1

SERVICE STATISTICS FOR HEALTH INSPECTION, Etc

Statistics can be obtained from the District Municipality

T3.20.2

COMPONENT G: SECURITY AND SAFETY

This component includes: Police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.21 TRAFFIC SERVICES

INTRODUCTION TO TRAFFIC SERVICES

The Traffic Department is responsible for traffic law enforcement and the administration thereof. This function also ensures the technical sustainability of roads traffic signs, signals and markings throughout the municipal area. The main focus is to ensure reduction on death rate, compliance to road rules and regulations and free flow of traffic. The following tasks were conducted to ensure improvement on our performance:

- High visible patrols
- Effective law enforcement
- Effective speed enforcement
- Attend to accident scenes
- Escort duties of funerals, abnormal loads, MEC and other dignitaries.
- Traffic education in schools
- Road blocks
- point duties
- Scholar patrols
- Other related traffic duties.

T3.21.1

Chapter 3

Municipal Traffic Service Data					
	Details	2011/12	2012/13		2013/14
			Estimate No.	Actual No.	Estimate No.
1	Number of traffic accidents during the year	1745	1479	1738	1651
2	Number of by-law infringements attended	0	0	0	0
3	Number of traffic officers in the field on an average day	7	5	7	13
4	Number of traffic officers on duty on any average day	7	7	7	13
					T3.21.2

Chapter 3

Traffic Policy Objectives Taken From IDP								
<div>Service Objectives</div> <div>Service Indicators</div>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Future
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Percentage reduction of fatal road accidents		5%	5%	N/A	N/A	N/A	N/A	N/A
Number of Road Safety Education and Training courses concluded		12	13	12	20	12	23	12
Percentage compliance to road marking schedule		100%	100%	100%	58%	80%	56%	80%
Percentage of road signs replaced /repaired within three weeks		95%	100%	95%	100%	95%	100%	95%
% recovery rate on fines issued		30%	30%	30%	32%	N/A	N/A	N/A
Number of roadblocks held		12	12	12	27	12	24	12
Number of road safety education projects at school		12	12	12	20	12	23	12
Number of road safety awareness campaigns		N/A	N/A	4	4	N/A	N/A	N/A
Number of road safety audits conducted (no funds)		N/A	N/A	N/A	0	N/A	N/A	N/A
T3.21.3								

Chapter 3

Employees: Traffic Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Traffic Officer	1	1	1	0	0
Other Traffic Officers					
5	0	0	0	0	0
6 - 7	1	3	1	2	66%
8 - 9	4	9	5	4	44%
10	1	1	1	0	0
Other none traffic officers					
7	1	0	1	0	0
8 - 9	4	4	4	0	0
10 - 17	5	8	5	3	37%
TOTAL	17	26	18	9	34%
					T3.21.4

COMMENT ON THE PERFORMANCE OF TRAFFIC SERVICES OVERALL:

The traffic department has challenges on budget constraints, chronic personnel shortages and outdated Traffic vehicles and equipment.

T3.21.7

3.22 FIRE

INTRODUCTION TO FIRE SERVICES

Msukaligwa fire and rescue services is a public organization that provides predominantly emergency, firefighting and rescue services for in the jurisdiction area of Msukaligwa Municipality. The fire service have two fire stations within its boundaries, and are staffed by full-time firefighters.

The fire service also provide "fire protection" or fire prevention services, whereby firefighters visit homes and give fire safety advice to members of the public. We see fire protection or prevention as an important role for the fire service, as preventing a fire from occurring in the first place can obviously save lives.

The fire service also carry out an enforcement role, to ensure that commercial dwellings (hotels, offices, factories, and so on) are equipped with adequate fire precautions to ensure that in the event of fire, people can safely evacuate the premises unharmed. This is also part of the protection or prevention role.

The Fire Service are organized in a system of administration, services, training, and operations;

For example:

Chapter 3

Emergency fire & rescue vehicles administration is responsible for supervision, budgets, policy, and human resources.

Service offers protection, safety, and education to the public.

Training creates skilled people with the knowledge to perform their duties.

Operations performs the tasks to successfully save the public from harm.

The fire service got a set up where fire stations and sophisticated fire apparatus are strategically deployed throughout the area under its control so that dispatchers can send fire engines, fire trucks from the fire stations closest to the incident.

The fire service's jurisdiction is organized by the governmental body that controls the services. The Fire Service annually survey its jurisdiction areas and use the data for redeploying proper coverage. This data comes from travel time, range from station, and/or a population survey. This brings equal service to the entire community and gives the department efficient places to launch operations.

T3.22.1

Municipal Fire Service Data					
	Details	2011/12	2012/13		2012/13
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	326	326	332	332
2	Total of other incidents attended in the year	219	219	167	219
3	Average turnout time - urban areas	9	13	9	13
4	Average turnout time - rural areas	27	23	30	23
5	Fire fighters in post at year end	24	26	22	25
6	Total emergency vehicles at year end	9	11	10	10
7	Average number of appliance off the road during the year	2	1	4	0

T3.22.2

Chapter 3

Fire Services Policy Objectives Taken From IDP								
<div>Service Objectives</div> <div>Service Indicators</div>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Future
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Percentage of incidents responded to within predetermined time frame	Turnout time compared to National guidelines	85%	90%	85%	86%	85%	88%	85%
Number of fire safety, building plans and fire risks conducted	Fire Safety inspections and risk visits conducted in terms of National guidelines	300	439	300	319	300	551	300
Number of awareness programmes conducted	PIER Program (Public Information, Education and Information Relations)	32	13	32	39	32	44	32
Percentage loss prevented versus property value (value protected vs. value loss)	Prevent loss of property during fires.	25%	0.81%	25%	13.92%	25%	12%	25%
T3.22.3								

Chapter 3

Employees: Fire Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer	1	1	1	0	0
Other Fire Officers					
5	0	0	0	0	0%
6 - 7	2	3	2	1	33%
8 - 9	9	9	8	1	0%
10 - 11	12	12	11	1	0%
12 -14	0	0	0	0	0%
15 -17	0	0	0	0	0%
Total	24	25	22	3	12%
					T3.22.4

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

Summary of difficulties experience

1. Member – Qualifications

Driver/Operator training is inconsistent and not in compliance with NFPA 1002.

Fire service members are not consistently provided with operations-level hazardous materials response training that meets NFPA 472.

No comprehensive training exists for fire fighters, officers, or command officers.

2. Fire Service Fleet and Apparatus

Condition of the front line and reserve fleet is not in a good condition.

Inadequate initial and on-going training for apparatus drivers

3. Scenes of Violence, Civil Unrest

There is no predefined message to indicate that a company is faced with a life-and-death situation requiring immediate law enforcement intervention.

4. General

Staffing levels, equipment, and water supplies have decreased dramatically over the past year.

Summary of accomplishments

Fire prevention was limited to land development and inspection programs prior to 2002. The service started to conduct Fire Prevention in the whole of Msukaligwa.

The service is a leader in Hazardous Material response. Hazardous materials regulation and response is a prime example of sharing scarce resources between multiple jurisdictions. In 2011, SASOL Secunda donated an emergency vehicle for hazardous material response.

Chapter 3

The service advocates local fire services. Community education programs provide the opportunity to educate adults and children about fire safety and injury prevention. Community preparedness programs provide citizens the required training and education to become self-sufficient following natural or human-made disasters.

The service is one of the few fire agencies in the Gert Sibande District Municipality who got fire investigator. Investigation of fires provides important information about the cause and origin of the local fire problem.

Smart Goals Summary

The service will continue to update their legal agreements and by-laws to ensure they are at the most appropriate stage of readiness. Additionally improve upon existing capital funding to ensure a consistent long term stable level of funding has not been achieved. The Fire Services will strive to improve upon their training to enhance the Health and Safety of the Fire Fighters. Additionally, live fire training along with specialty skills training will be started.

During 2013/14 the Fire and Rescue Services will be petitioning for funding of additional fire engines and the opening of 4 additional fire stations in Msukaligwa.

Enhancing our emergency management capabilities is an on-going responsibility.

T3.22.7

3.23 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

The Disaster management unit of the municipality is responsible for the provision of integrated and coordinated disaster management functions that focuses on prevention, mitigation, preparedness and post-disaster recovery, and an effective and efficient customer care management service and allocates adequate resources to address identified security threats and risks.

T3.23.1

SERVICE STATISTICS FOR DISASTER MANAGEMENT

- * Number of disaster management awareness campaigns conducted = 13
- * Percentage of incidents attended to satisfactory/timeously = 100%

T3.23.2

Chapter 3

Disaster Management Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Future
Service Indicators								
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Number of Disaster Advisory Forum meetings		N/A	N/A	4	4	N/A	N/A	N/A
Percentage of incidents attended to satisfactorily		100%	100%	100%	100%	100%	100%	100%
Percentage complaints communicated back to complainant	Members of the public provided with feedback on reported complaints.	60%	0	100%	0	N/A	N/A	N/A
Number of disaster awareness campaigns conducted	Community alerted on possible disasters and mitigation thereof.	12	12	12	12	12	13	12
% reduction in crimes within the CBD area		N/A	N/A	12%	12%	N/A	N/A	N/A
% reduction of theft in controlled areas		N/A	N/A	100%	75%	N/A	N/A	N/A
T3.23.3								

Chapter 3

Employees: Disaster Services					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators					
Chief Disaster Officer	1	1	1	0	0
Other Disaster Officers					
5	0	0	0	0	0
6 - 7	4	4	4	0	0
8 - 9	1	2	1	1	50%
10 - 11	6	8	9	0	0
12 -14	0	0	0	0	0
15 -17	0	0	0	0	0
TOTAL	12	13	15	1	8%
					T3.23.4

3.24 LICENSING

INTRODUCTION TO LICENSING SERVICES

The licencing function of the municipality deals with services including registration and licensing of vehicles, testing of roadworthiness of vehicles and issuing of road worthiness certificates, conducting learners and driving licences tests, issuing of learners and drivers licences, issuing of professional driving permits, administering instructors' certificates and issuing of temporary and special permits. The top 3 priorities of the licensing division is to encrease the number of people tested for learners and driving licences, limit the number of unroadworthy vehicle on municipal and provincial/national roads and maintain and ensure compliance of the National Road Traffic Act 93/1996 and other related legislations. In comparison to the previous year's figures, we seen a significant increase in the number of people tested for learners and driving licenses as a result of the appointment of two more examiners of driving licences. We have further seen a significant improvement in the direct financial income to the municipality.

T3.24.1a

Municipal Licensing Service Data					
	Details	2011/12	2012/13		2013/14
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total number applications for learners licenses received	3,399	4032	4458	4532
2	Total number of applications for driving licenses received	3,725	3360	5523	3600
3	Total number vehicles tested for roadworthiness	981	1020	1143	1220
					T3.24.2a

Chapter 3

Licensing Policy Objectives Taken From IDP								
<div>Service Objectives</div> <div>Service Indicators</div>	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Future
Service Objective: To ensure long term planning and provision of sustainable services delivery and maintenance of infrastructure								
Percentage of customer complaints resolved	Customer satisfaction	80%	60%	80%	92%	0	0	0
Number of driving licenses issued	Competent drivers	1558	5630	6233	7087	0	0	0
Number of learners licenses issued	Competent drivers	480	2219	1920	2095	0	0	0
Number of applications for learners licenses	Competent drivers	1008	3763	4032	3399	4032	4458	4532
Number of applications for driving licenses	Competent drivers	3360	3262	3360	3725	3360	5523	3600
Number of vehicles tested for roadworthiness	Safe and roadworthy vehicles	216	133	216	981	1020	1191	1220
T3.24.3a								

Chapter 3

Employees: Licensing Services					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators					
Chief Licensing Officer	1	1	1	0	0
Other Licensing Officers					
5	0	2	0	0	100%
6	2	0	2	0	0
8-7	5	11	5	6	54%
9	11	11	9	2	18%
10	0	5	0	5	100%
11 -13	2	0	2	0	0
15 -17	2	2	1	1	50%
TOTAL	23	32	20	14	

T3.24.4a

COMMENT ON THE PERFORMANCE OF LICENSING SERVICES OVERALL:

The plan was to establish service centers at Cassim Park, Lothair and Davel as well as the fencing of the Breyten driving license testing center as key projects for the year but due to lack financial resources the projects could not be financed. The only project that has been rolled over to the next financial year is the fencing of Breyten driving license testing center.

T3.24.7a

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

The section mandate is to provide, maintain and manage sports and recreational facilities. We further promote sports in Msukaligwa municipal as well as assisting athletes who participate at regional, provincial and national level, with transport and other logistical arrangements.

We are currently managing and maintaining 19 facilities that cuts across all sporting codes, only ermelo has resonable facilities while six units within the municipality are still having challenges.

We intend to source funding through the treasury equitable share (MIG), GSDM and the NLDTF, to enable us to built and upgrade facilities

CHALLENGES : Funding remains a major issue, followed by lack of facilities and personell, to train youth to participate in sports, personell to admnister and manage sports.(resources)

Security for sports facilities: in most cases facilities aare vanadalised and and we need security to safe gurd the facilities(request made to department of public safety for provision of security personel)

T3.25.0

Chapter 3

3.25 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

We provide for the following sporting codes which are mainly concentrated in Ermelo and Breyten:

Soccer; Rugby; Netball; Tennis; Korfball; Wrestling; Gymnastics; Basket ball; Volleyball; Swimming; Karate; Table tennis; Indigenous games and Cricket.

A detailed data information is still to be captured that include organised clubs and registered players with qualified trainers. 70% of the facilities are in Ermelo and they are at an acceptable level, while most in other units need a lot of upgrade and face lift.

T3.25.1

Chapter 3

Sports and Recreation Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2010/11		2011/12		2012/13		2013/14
		Target	Actual	Target	Actual	Target	Actual	Future
Service Indicators								
Service Objective: To provide sustainable basic services and sustainable infrastructure								
Number of sports and recreational facilities upgraded	Healthy community, career development and reduction of crime	2	2	1	0	0	0	2
Number of sports and recreation facilities maintained	Healthy community, career development and reduction of crime	19	19	19	19	19	19	19
Number of athletes supported that participated at provincial and national level.	Healthy community, career development and reduction of crime	0	0	0	3	0	6	0
Number of sport and recreation events presented (Municipal Employees)	Healthy community, career development and reduction of crime	7	7	7	2	0	9	0
Number of sport and recreation events presented (Community)	Healthy community, career development and reduction of crime	2	3	3	1	0	1	0
Number of sports facilities built or rehabilitated per unit	Healthy community, career development and reduction of crime	0	0	12	0	1	0	2
Number of young people introduced to sport (Swimming, Tennis & indigenous games)	Healthy community, career development and reduction of crime	N/A	N/A	0	0	10	0	0
								T3.25.2

Chapter 3

Employees: Sports and Recreation Services					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators					
0 - 3	1	1	1	0	0
4 - 5	2	2	2	0	0
6 - 7	0	0	0	0	0
8 - 9	2	3	3	0	33%
10 - 11	0	1	0	1	100%
12 -14	4	4	4	0	0
15 -17	12	13	14	-1	-8%
TOTAL	21	24	24	0	0%
					T3.25.3

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

The section mandate is to provide, maintain and manage sports and recreational facilities. We further promote sports in Msukaligwa municipal as well as assisting athletes who participate at regional, provincial and national level, with transport and other logistical arrangements.

We are currently managing and maintaining 19 facilities that cuts across all sporting codes, only Ermelo has reasonable facilities while six units within the municipality are still having challenges.

We intend to source funding through the treasury equitable share (MIG), GSDM and the NLDTF, to enable us to build and upgrade facilities

CHALLENGES : Funding remains a major issue, followed by lack of facilities and personnel, to train youth to participate in sports, personnel to administer and manage sports.(resources)

Security for sports facilities: in most cases facilities are vandalised and we need security to safeguard the facilities(request made to department of public safety for provision of security personnel).

T3.25.6

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

Chapter 3

3.26 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

Employees: The Executive and Council					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators					
0 - 3	1	1	1	0	0
4 - 5	2	2	2	0	0
6 - 7	0	0	0	0	0
8 - 9	3	3	2	1	33%
10 - 11	0	1	0	1	100%
12 - 14	4	4	4	0	0
15 - 17	14	13	12	1	8%
TOTAL	24	24	21	3	13%

T3.26.4

3.27 FINANCIAL SERVICES

Employees: Financial Services					
Job Level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators					
0 - 3	6	6	6	0	0
4 - 6	11	12	11	1	8%
7 - 9	51	54	51	3	6%
10 - 12	14	14	14	0	0
13 - 15	1	1	1	0	0
16 - 17	1	1	1	0	0
Total	84	88	84	4	5%

T3.27.4

3.28 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Training of employees to enhance skills so that the organisational objectives can be achieved. Induction programme for councillors implemented to ensure that councillors are capacitated in service delivery priorities. Implementation of Batho Pele principles to all municipal employees utilising the service charter with a view to improve service delivery of all communities.

T3.28.1

Chapter 3

Employees: Human Resource Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	4	4	4	0	0
7 - 9	2	2	2	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 17	0	0	0	0	0
Total	7	7	7	0	0
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p>					

T3.28.4

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

INTRODUCTION

The function of organizational development in Msukaligwa Local Municipality consist of formulated Human Resource Policies which provide guidance to Management relating to the implementation of Employment Equity and the implementation of the Skills Development Strategies to enhance the skills of employees so that the organization can adapt to the external environment. Batho Pele change management programme is implemented to change the attitude of employees in terms of improved service delivery. The Municipality has introduced performance management to change the attitude, believes and work ethics of employees.

T4.0.1

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2011/2012	2012/2013			
	Employees No.	Approved Posts No.	Employees No.	Variance No.	Variance %
Water	35	63	40	23	63%
Waste Water (Sanitation)	35	84	43	41	51%
Electricity	33	46	31	15	67%
Waste Management	89	124	103	21	83%
Housing	8	10	7	3	70%
Waste Water (Stormwater Drainage)	6	6	6	0	100%
Roads	47	64	48	16	75%
Transport	0	0	0	0	0
Planning	0	0	0	0	0
Planning (Strategic & Regulatory)	5	9	4	5	40%
Local Economic Development	3	3	3	0	100%
Community & Social Services	12	57	39	18	68%
Environmental Protection	55	65	64	1	99%
Health	0	0	0	0	0
Security and Safety	11	46	41	5	89%
Sport and Recreation	21	23	20	3	87%
Corporate Policy Offices and Other	448	235	186	49	79%
Totals	808	835	635	200	76%
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June.					T4.1.1

Chapter 4

Vacancy Rate 2012/2013					
Designations	Total Approved Post No.	Filled Posts No.	Percentage		Days
			Vacant	Filled	
Municipal Manager	1	1	0	100%	
Chief Finance Officer	1	1	0	100%	
Director Public Safety	1	1	0	100%	
Director Corporate Services	1	1	0	100%	
Director Community Services	1	0	1	0	250 days
Director Technical Services	1	0	1	0	227 days
Municipal Traffic officer	13	9	4	69%	
Fire Fighter	26	24	2	92%	
Managers (Excluding Finance)	26	20	6	77%	
Finance Managers	5	5	0	100%	
Supervisors (Excluding Finance)	86	72	14	84%	
Finance Supervisors	13	10	3	77%	
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T4.1.2

Turn-over Rate				
Details	Total number of employees as of beginning of Financial Year No.	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2010/11				
2011/12	595		19	3%
2012/13	585	86	35	5.9%
*Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year				T4.1.3

COMMENT ON VACANCIES AND TURNOVER:

During 2012/2013 financial year, senior management consisted of the Municipal Manager, Director Corporate Service, Director Public Safety and CFO. The position of Director Technical Service and the position of Director Community Services were advertised in national print media but no suitable candidates were identified amongst the candidates. Internal employees were appointed to act in the two positions to carry out the functions of the two departments which are community and technical services. They are allowed to act for a period of 3 months as per the amendments in the Municipal Systems Act. The turnover rate of the municipality was determined at 0.05% for the whole financial year. The post of Director Technical Services and Director Community Services remained vacant for a period of one year.

T4.1.4

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Msukaligwa Local Municipality has a Human Resources Department whose function is to develop and implement policies, provide guidance to employees on issues of personnel administration, skills development and industrial relations.

T4.2.0

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	0%		The policy have been drafted and will be submitted to the Local Labour Forum for deliberation and to Council for adoption
2	Attraction and Retention	100%		Adopted by Council in June 2012
3	Code of Conduct for employees	95%		Council implements the Code of Conduct which was agreed at between the parties in the Bargaining Council
4	Delegations, Authorisation & Responsibility	100%		Council approved delegation system is being implemented.
5	Disciplinary Code and Procedures	95%		Council implements the Disciplinary Code and Procedures which was negotiated in the Bargaining Council
6	Essential Services	60%		Council has adopted the Service Charter to provide guidance on Essential Services
7	Employee Assistance / Wellness	80%		Council adopted Employee Assistance / Wellness Policy in June 2012 and is being implemented
8	Employment Equity	0%		The Employment Equity Policy has been drafted and it will be submitted to the Local Labour Forum for deliberation and to Council for adoption but the Employment Equity Plan has been adopted by Council and it is being implemented
9	Exit Management	50%		Council has adopted the Employment Practice Policy which includes the Exit Management

Chapter 4

				Practice but the Exit Management part has not yet being fully implemented
10	Grievance Procedures	95%		Council has adopted the Bargaining Council Grievance Procedures and it is being implemented
11	Workplace HIV/Aids	80%		Council has adopted the HIV/Aids Policy and it is being implemented
12	Human Resource and Development	80%		Council has adopted the Employment Practice Policy and the Capacity Building Policy and it is being implemented
13	Information Technology	80%		Council has adopted the Electronic Communication Policy and is being implemented
14	Job Evaluation	0%		No policy in place
15	Leave	95%		Council implements the leave in terms of the Bargaining Council Main Collective Agreement and it is being implemented, leave policy is being developed.
16	Occupational Health and Safety	100%		Council adopted the Occupational Health and Safety Policy and it is being implemented
17	Official Housing	95%		Council is guided by the Bargaining Council directive
18	Official Journeys	100%		Council adopted the Transport and Subsistence Allowance Policy and it is being implemented
19	Official transport to attend Funerals	0%		No policy in place
20	Official Working Hours and Overtime	95%		Council implements the Bargaining Council Main Collective Agreement
21	Organisational Rights	95%		Council implements the Organisational Rights Agreements as per the Bargaining Council Main Collective Agreement
22	Payroll Deductions	100%		Council implements the Basic Conditions of Emplacement Act 1997 and the main collective agreement of the SALGBC.
23	Performance Management and Development	50%		Council has adopted an Organisational Performance Management Framework.
24	Recruitment, Selection and Appointments	80%	100%	Council has adopted the Employment Practice Policy in June 2012 and it is being implemented
25	Remuneration Scales and	100%		Council implements the Bargaining

Chapter 4

	Allowances			Council Main Collective Agreement on Salaries and Wages
26	Resettlement	65%		Council adopted the Relocation and Commuting Policy in June 2012 and it is being implemented
27	Sexual Harassment	100%		Council adopted the Sexual Harassment Policy and it is being implemented
28	Skills Development	75%	50%	Council adopted the Capacity Building Policy and it is being implemented
29	Smoking	100%		Council adopted the Smoking Policy and it is being implemented
30	Special Skills	0%		No policy in place
31	Work Organisation	0		No policy on work organization.
32	Personal Protective Equipments/Clothing	100%		Council adopted the Personal Protective Clothing Policy and it is being implemented
33	Other:	100%		Council has adopted the additional policies: <ul style="list-style-type: none"> - Record and Information Management Policy - Telephone usage Policy - Alcohol and Drug Policy - Attendance and Punctuality Policy - Incapacity due to ill health Policy - Incapacity due to poor work policy - Induction Policy - Private work and declaration of interest Policy - Succession Planning and Management Policy - Overtime Policy
Use name of local policies if different from above and at any other HR policies not listed.				T4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Corporate Services department has developed Human Resources policies and have reviewed the critical policies. Other policies are being reviewed when there are changes in the legislation and regulations.

T4.2.1.1

Chapter 4

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	57	3	5.3%	19	
Temporary total disablement	0	0			
Permanent disablement	0	0			
Fatal	0	0			
Total	57	0			

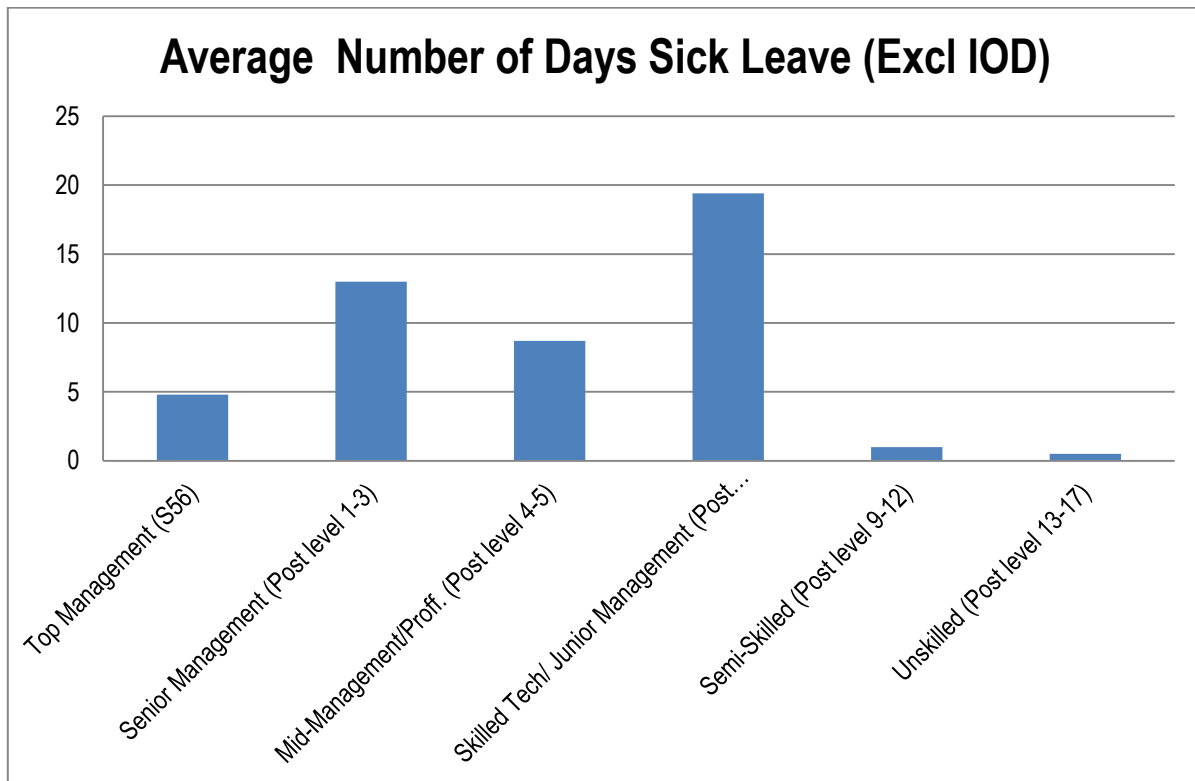
T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Occupational Levels	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Top Management	19		2	4	4.8	52 993
Senior Management	207		17	27	13	228 915
Mid-Management/Proff.	332		28	38	8.7	318 641
Skilled Tech/ Junior Management	1359		130	70	19.4	767 440
Semi-Skilled	258		25	230	1	118 856
Unskilled	128		116	272	0.5	288 370
Total	2 303		318	641	3.6	1 775 215

* - Number of employees in post at the beginning of the year
 *Average calculated by taking sick leave in column 2 divided by total employees in column 5

T4.3.2

Chapter 4



T4.3.3

COMMENT ON INJURY AND SICK LEAVE:

Sick leave taken by employees did not have a significant impact on the total budget of the Municipality in the year 2012/2013.

T4.3.4

Chapter 4

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Natis Officer	Financial misconduct	18 March 2013	Case not yet finalised.	Pending
				T4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None			
			T4.3.6

4.4 PERFORMANCE REWARDS

None

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix										
Management level	Gender	Employee s in post as at 30 June 2013	Number of skilled employees required and actual as at 30 June 2013							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Planned 30 June 12/13	Actual 30 June 12/13	Planned 30 June 12/13	Actual 30 June 12/13	Planned 30 June 12/13	Actual 30 June 12/13	Planned 30 June 12/13	Actual 30 June 12/13
MM and S57	Female		0	0	0	0	0	0	0	0
	Male		2	0	0	0	0	0	2	0
Councillors, senior officials and managers	Female		6	6	1	1	0	0	7	7
	Male		9	3	1	1	0	0	10	4
Technicians and associate professionals	Female		5	5	2	2	4	4	11	11
	Male		10	10	6	6	3	3	19	19
Professionals	Female		13	11	2	10	2	2	17	23
	Male		5	5	4	3			9	8
Sub total	Female		24	22	5	13	6	6	35	41
	Male		26	18	11	10	3	3	38	31
Total			50	40	16	23	9	9	73	72

T4.5.1

Chapter 4

Financial Competency Development: Progress Report*								
Management level	Original Budget and Actual Expenditure on skills development 2012/2013							
	Learnerships		Skills programmes & other short courses		Other forms of training		Total	
	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57								
	52,000	0					52,000	0
Legislators, senior officials and managers	159,500	0					159,500	0
Professionals	588,000	0					588,000	0
	84,000	0					84,000	0
Technicians and associate professionals	23,1055	0					231,055	0
	109,225	0					109,225	0
Clerks	0	0					0	0
Service and sales workers	0	0					0	0
Plant and machine operators and assemblers	0	0					0	0
Elementary occupations	0	0					0	0
Sub total	1,223,780	0					1,223,780	0
		0					0	0
Total	1,223,780	0					1,223,780	0
%*	*R							

Chapter 4

Financial Competency Development: Progress Report*					
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Consolidated: Total of A	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials					
<i>Accounting officer</i>	01	01			1
<i>Chief financial officer</i>	01	01			1
<i>Senior managers</i>	02	02			0
<i>Any other financial officials</i>	38	38			17
Supply Chain Management Officials					
<i>Heads of supply chain management units</i>	01	01			1
<i>Supply chain management senior managers</i>	01	01			1
TOTAL	44	44			21
*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations 29967, June 2007					T4.5.2

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

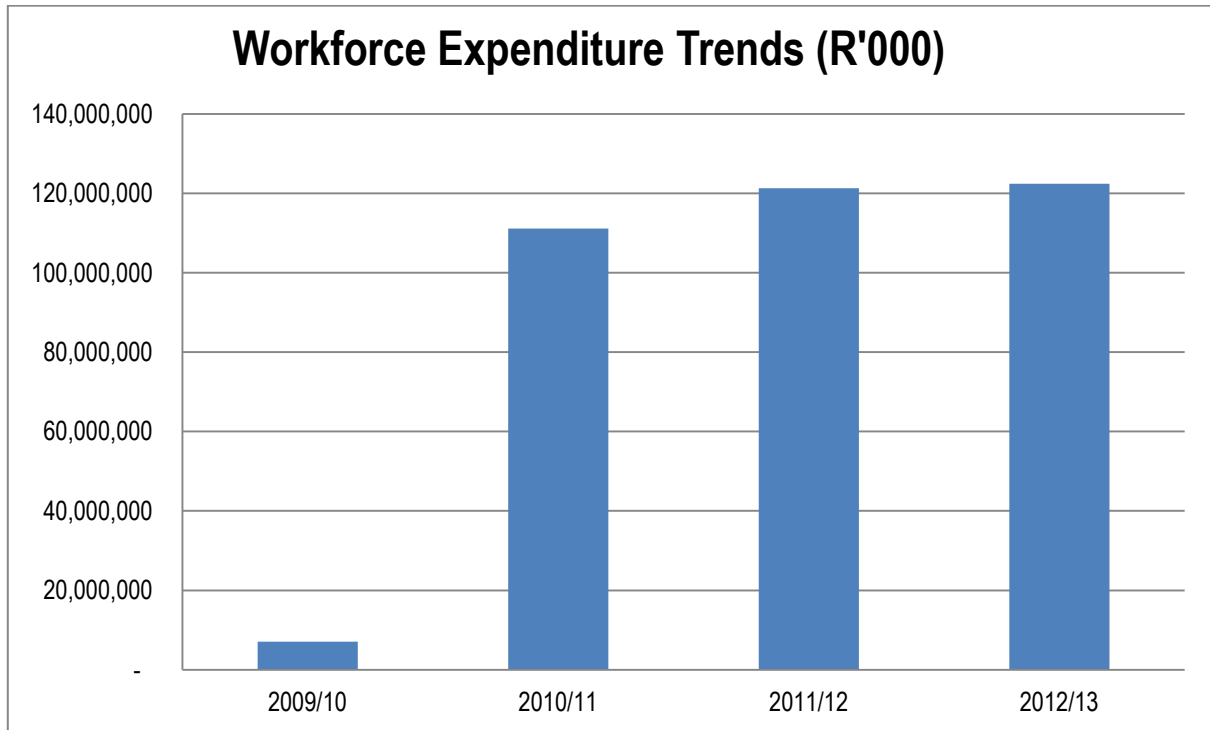
The officials who were placed on the programme exclude the interns. This is the same report we sent to the office of the provincial treasury. The actual expenditure on financial competency training is R0.00. The reason for that is that the programme was sponsored countrywide by the NSF (National Skills Fund). Other training could not be implemented from the WSP because of financial constraints. Msukaligwa Local Municipality could not implement learnerships for the unemployed because our **D.o.I** (Declaration of intent) was not approved by the LGSETA and as a result we could not get any discretionary grant funding. The budget spent for training of the Legislators has no cost implications as we had Funding from the LGSETA for the training

T4.5.4

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE



Source: MBRR SA22

T4.6.1

Chapter 4

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Top Management	Female	0
	Male	0
Senior Management	Female	0
	Male	0
Professional Qualified	Female	1
	Male	0
Skilled Technical	Female	1
	Male	6
Semi-Skilled	Female	0
	Male	1
Unskilled & Defined	Female	2
	Male	4
Total		15
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).		

T4.6.2

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	0

T4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None				

T4.6.4

DISCLOSURES OF FINANCIAL INTERESTS

Disclosure forms were issued to all employees and Councillors.

T4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Financial Position

T5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary R'000					
Description	2011/12	Budget Year 2012/13			
	Audited Outcome	Original Budget	Adjusted Budget	YTD variance %	Full Year Forecast
R thousands					
Financial Performance					
Property rates	51,379	57,999	55,799	2%	55,799
Service charges	173,049	220,229	216,103	-2%	216,103
Investment revenue	589	416	416	147%	10,789
Transfers recognised - operational	105,336	133,147	125,297	1%	125,297
Other own revenue	22,297	47,285	24,404	9%	24,404
Total Revenue (excluding capital transfers and contributions)	352,650	459,076	422,019	0%	432,392
Employee costs	112,313	138,089	122,447	2%	122,447
Remuneration of Councillors	9,010	9,682	9,682	1%	9,682
Depreciation & asset impairment	31,247	6,614	13,647	-14%	13,647
Finance charges	12,067	12,490	14,506	-1%	14,506
Materials and bulk purchases	107,754	131,849	133,329	33%	133,329
Transfers and grants	25,677	37,917	26,272		26,272
Other expenditure	83,024	118,422	99,620	30%	99,620
Total Expenditure	381,093	455,063	419,502	19%	419,502
Surplus/(Deficit)	(28,443)	4,013	2,516	-3128%	12,889
Transfers recognised - capital	58,738	–	–		–

Chapter 5

Contributions & Contributed assets	–	77,863	77,863	-100%	77,863
Surplus/(Deficit) after capital transfers & contributions	30,295	81,876	80,379	-195%	90,752
Share of surplus/ (deficit) of associate	–	–	–		–
Surplus/ (Deficit) for the year	30,295	81,876	80,379	-195%	90,752
<u>Capital expenditure & funds sources</u>					
Capital expenditure	59,766	81,863	91,442	-64%	91,442
Capital transfers recognised	46,183	44,058	54,703	-42%	54,703
Public contributions & donations	–	33,804	33,804	-100%	33,804
Borrowing	507	2,000	2,000	-100%	2,000
Internally generated funds	1,702	2,000	794	5%	794
Total sources of capital funds	48,391	81,863	91,302	-64%	91,302
<u>Financial position</u>					
Total current assets	125,559	145,130	145,130		145,130
Total non-current assets	308,419	278,574	278,574		278,574
Total current liabilities	135,806	105,234	94,278		94,278
Total non-current liabilities	60,101	34,906	34,906		34,906
Community wealth/Equity	262,066	–	24,754		24,754
<u>Cash flows</u>					
Net cash from (used) operating	82,939	74,925	74,925	272%	74,925
Net cash from (used) investing	(72,420)	(66,173)	(56,173)	-111%	(56,173)
Net cash from (used) financing	(2,487)	(452)	(452)	1668%	(452)
Cash/cash equivalents at the month/year end	(5,861)	8,300	18,300	1412%	18,300
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	Over 1Yr	Total
<u>Debtors Age Analysis</u>					
Total By Revenue Source	17,825	7,963	6,253	233,075	265,116
<u>Creditors Age Analysis</u>					
Total Creditors	20,627	9,451	–	–	50,990

Chapter 5

COMMENT ON FINANCIAL PERFORMANCE:

Revenue decrease due to under collection with the payment rate of 75%. Personnel costs have decreased due to unfilled posts. General expenses increased as a result of fuel costs, bulk purchase of water and electricity and security control amongst others whereas repairs and maintenance has decrease due to low revenue collection (cash flow challenges)

T5.1.3

5.2 GRANTS

Capital Expenditure				
				R'000
Vote Description	2011/12	Budget Year 2012/13		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
R thousands				
Multi-Year expenditure appropriation				
Vote 01 - Summary Department Town Engineer	19,971	2,000	13,233	13,233
Vote 02 - Summary Electricity	6,436	5,000	3,039	3,039
Vote 03 - Summary Department Public Safety	–	–	–	–
Vote 04 - Summary Department Community And Health	–	3,593	3,858	3,858
Vote 05 - Summary Department Corporate Services	–	–	–	–
Vote 06 - Summary Council General	–	–	–	–
Vote 07 - Summary Department Finance	–	–	–	–
Total Capital Multi-year expenditure	26,407	10,593	20,130	20,130
Single Year expenditure appropriation				
Vote 01 - Summary Department Town Engineer	30,551	51,879	52,696	52,696
Vote 02 - Summary Electricity	1,889	15,390	16,091	16,091
Vote 03 - Summary Department Public Safety	–	–	50	50
Vote 04 - Summary Department Community And Health	415	500	285	285
Vote 05 - Summary Department Corporate Services	(1)	1,000	50	50
Vote 06 - Summary Council General	507	2,500	2,015	2,015
Vote 07 - Summary Department Finance	–	–	125	125
Total Capital single-year expenditure	33,359	71,269	71,312	71,312

Chapter 5

Total Capital Expenditure	59,766	81,863	91,442	91,442
<u>Capital Expenditure - Standard Classification</u>				
<i>Governance and administration</i>	1,246	3,500	2,190	2,190
Executive and council	507	2,500	2,015	2,015
Budget and treasury office	19	–	125	125
Corporate services	720	1,000	50	50
<i>Community and public safety</i>	27,420	43,708	51,706	51,706
Community and social services	438	2,735	3,050	3,050
Sport and recreation	–	858	858	858
Public safety	26,480	39,614	47,562	47,562
Housing	503	500	235	235
Health	–	–	–	–
<i>Economic and environmental services</i>	–	–	219	219
Planning and development	–	–	–	–
Road transport	–	–	219	219
Environmental protection	–	–	–	–
<i>Trading services</i>	32,803	34,655	37,327	37,327
Electricity	8,324	20,390	19,130	19,130
Water	16,136	14,265	18,197	18,197
Waste water management	8,344	–	–	–
Waste management	(1)	–	–	–
<i>Other</i>	–	–	–	–
Total Capital Expenditure - Standard Classification	61,469	81,863	91,442	91,442
<u>Funded by:</u>				
National Government	46,153	44,058	54,703	54,703
Provincial Government	30	–	–	–
District Municipality	–	–	–	–
Other transfers and grants	–	–	–	–
Transfers recognised - capital	46,183	44,058	54,703	54,703
Public contributions & donations	–	33,804	33,804	33,804
Borrowing	507	2,000	2,000	2,000
Internally generated funds	1,702	2,000	794	794
Total Capital Funding	48,391	81,863	91,302	91,302

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The municipality was unable spend some of the grants due to delays in appointment of service providers.

T5.2.4

Chapter 5

5.3 ASSET MANAGEMENT

Financial Position					
Description	2011/12	Budget Year 2012/13			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	33	36	36	33	36
Call investment deposits	10,000	–	–	21,995	–
Consumer debtors	71,189	103,596	103,596	136,108	103,596
Other debtors	18,447	21,498	21,498	15,318	21,498
Current portion of long-term receivables	–	–	–	–	–
Inventory	25,890	20,000	20,000	11,254	20,000
Total current assets	125,559	145,130	145,130	184,708	145,130
Non- current assets					
Long-term receivables					
Investments					
Investment property	4,561	5,028	5,028	4,561	5,028
Investments in Associate					
Property, plant and equipment	303,109	273,482	273,482	291,414	273,482
Agricultural					
Biological assets					
Intangible assets	749	64	64	749	64
Other non-current assets					
Total non- current assets	308,419	278,574	278,574	296,724	278,574
TOTAL ASSETS	433,978	423,705	423,705	481,432	423,705
LIABILITIES					
Current liabilities					
Bank overdraft	5,894	6,000	6,000	55,854	6,000
Borrowing	3,182	3,404	3,404	3,132	3,404
Consumer deposits	7,008	7,661	7,661	6,164	7,661
Trade and other payables	65,109	77,213	77,213	133,459	77,213
Provisions	54,613	10,956	–	32,405	–
Total current liabilities	135,806	105,234	94,278	231,013	94,278
Non-current liabilities					
Borrowing	5,488	11,366	11,366	6,533	11,366
Provisions	54,613	23,540	23,540	54,613	23,540
Total non- current liabilities	60,101	34,906	34,906	61,146	34,906
TOTAL LIABILITIES	195,907	140,140	129,184	292,159	129,184

Chapter 5

NET ASSETS	238,071	283,564	294,520	189,273	294,520
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	262,066	–	24,754	(190)	24,754
Reserves					
TOTAL COMMUNITY WEALTH/EQUITY	262,066	–	24,754	(190)	24,754

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2012/13

Asset 1

Name	Construction of various roads and storm water drainage			
Description	Upgrading of Roads in Msukaligwa			
Asset Type	Infrastructure-Roads network			
Key Staff Involved	MPU personnel			
Staff Responsibilities	Monitoring and evaluation of project			
	2009/10	2010/11	2011/12	2012/13
Asset Value		1,500,000	15,680,000	24,000,000
Capital Implications				
Future Purpose of Asset	Supply of water to communities in New Ermelo			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			

Asset 2

Name	Concrete palisade Fencing of cemeteries and reservoirs in Msukaligwa			
Description	Fencing of cemeteries municipal facilities			
Asset Type	Infrastructure- Fencing of facilities			
Key Staff Involved	MPU personnel			
Staff Responsibilities				
	2009/10	2010/11	2011/12	2012/13
Asset Value		3,000,000	1,000,000	3,000,000
Capital Implications				
Future Purpose of Asset	Supply of water to communities around Ermelo			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			

Asset 3

Name	Installation of street/high mast lights			
Description	Installation of high mast lights			
Asset Type	Infrastructure-High mast lights			

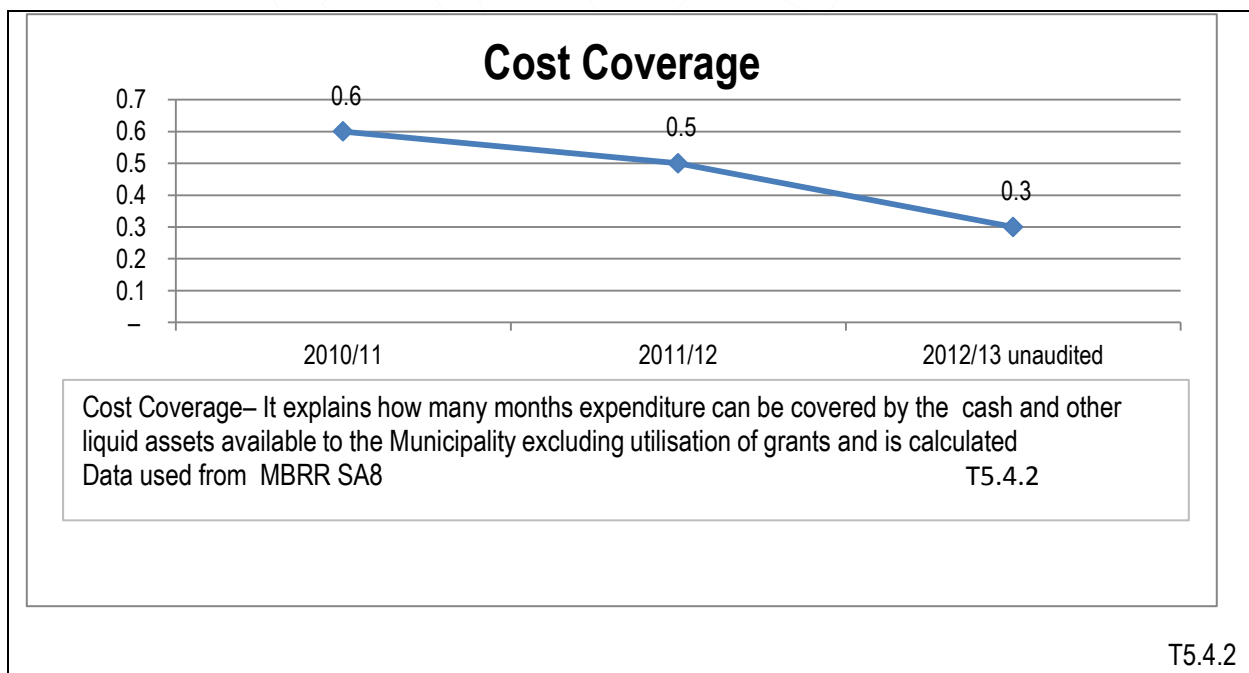
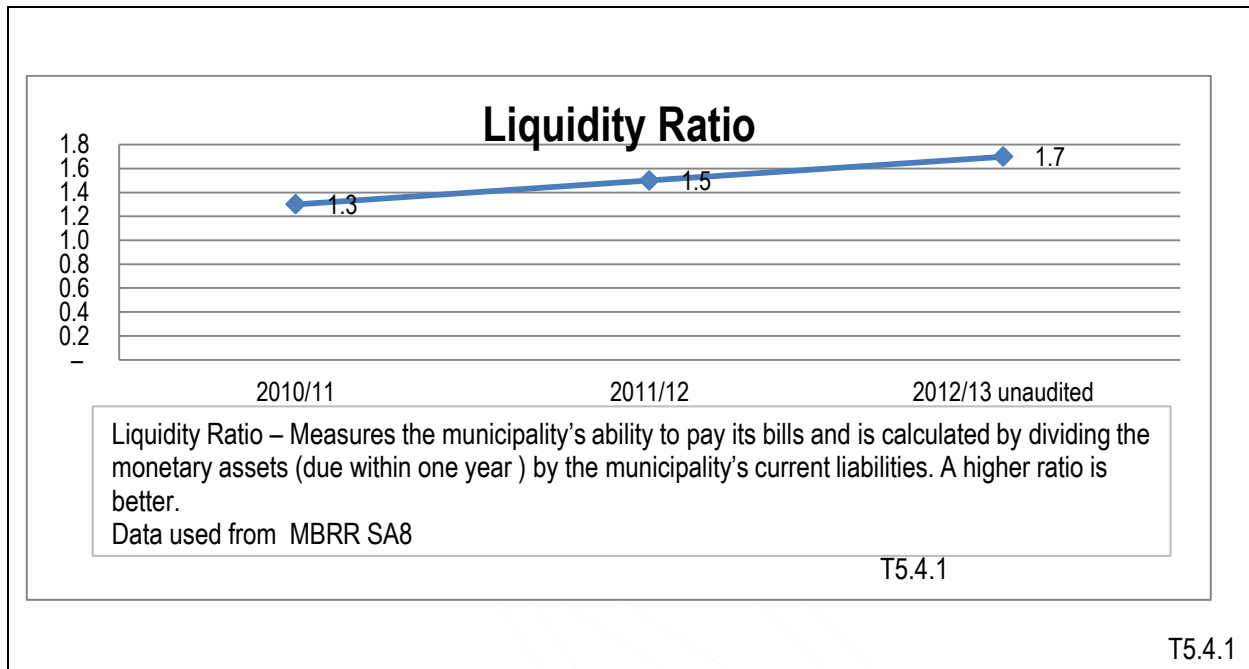
Chapter 5

Key Staff Involved	MPU personnel			
Staff Responsibilities	Monitoring and evaluation of project			
	2009/10	2010/11	2011/12	2012/13
Asset Value		2,000,000	2,400,000	2,500,000
Capital Implications				
Future Purpose of Asset	Supply of sewer and safe environment to communities			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
T5.3.2				

Repair and Maintenance Expenditure 2012/13				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	118,422	99,620	129,444	9.31%
T5.3.4				

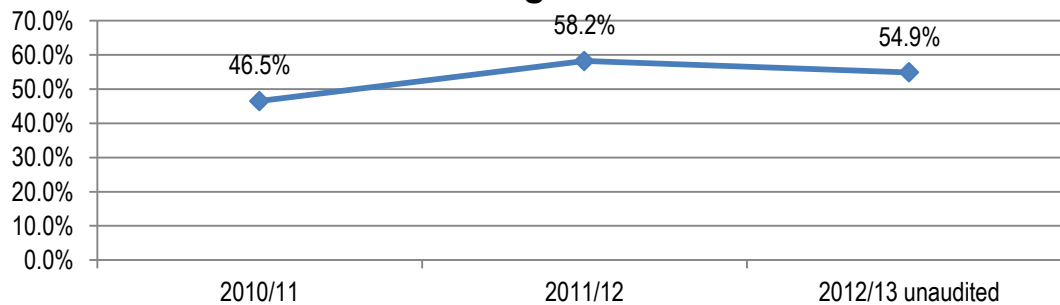
Chapter 5

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Chapter 5

Total Outstanding Service Debtors

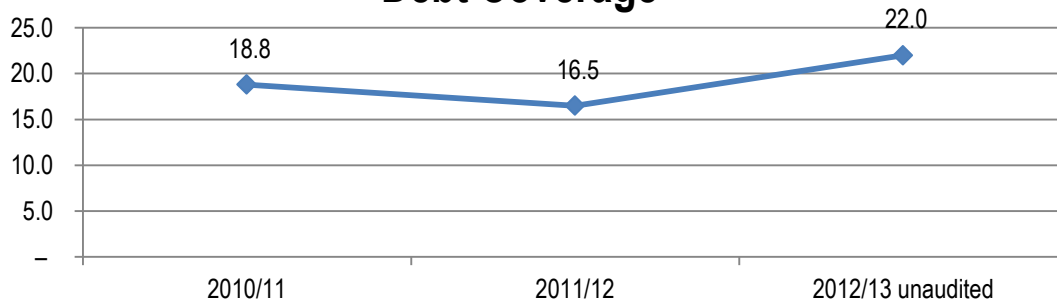


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better. Data used from MBRR SA8

T5.4.3

T5.4.3

Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

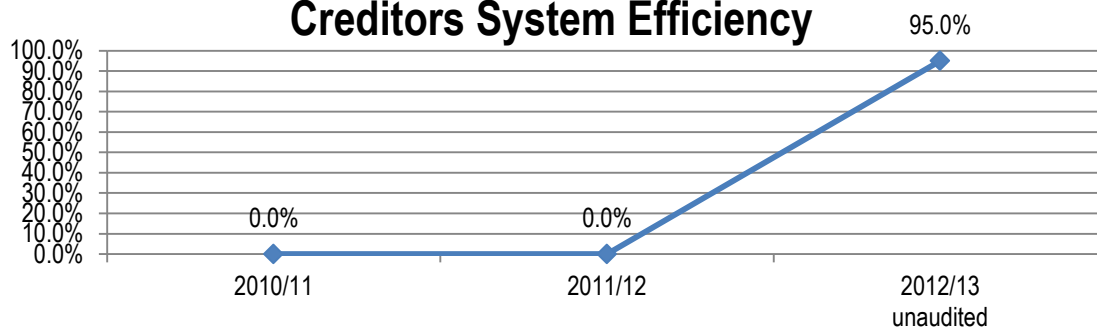
Data used from MBRR SA8

T5.4.4

T5.4.4

Chapter 5

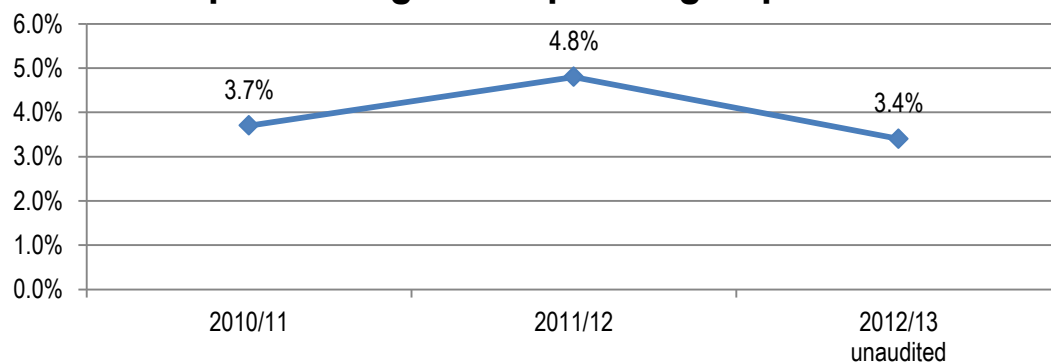
Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases
Data used from MBRR SA8 T5.4.5

T5.4.5

Capital Charges to Operating Expenditure



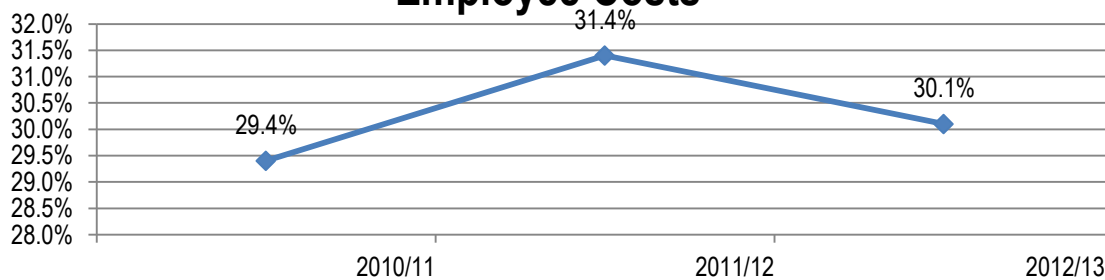
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.
Data used from MBRR SA8

T5.4.6

T5.4.6

Chapter 5

Employee Costs



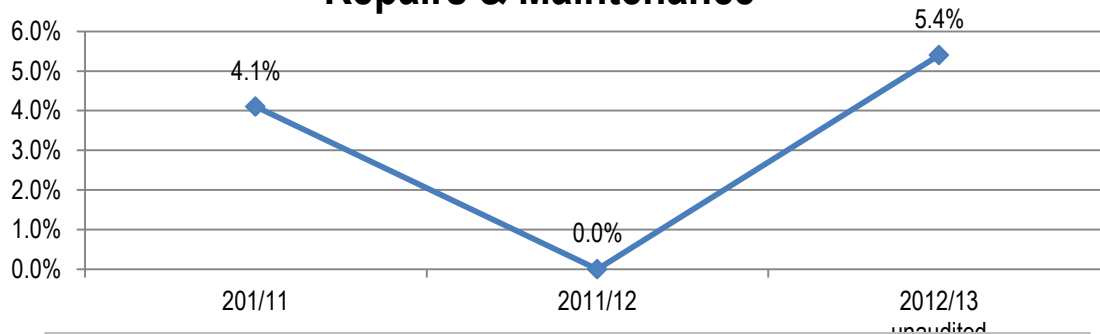
Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T5.4.7

T5.4.7

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

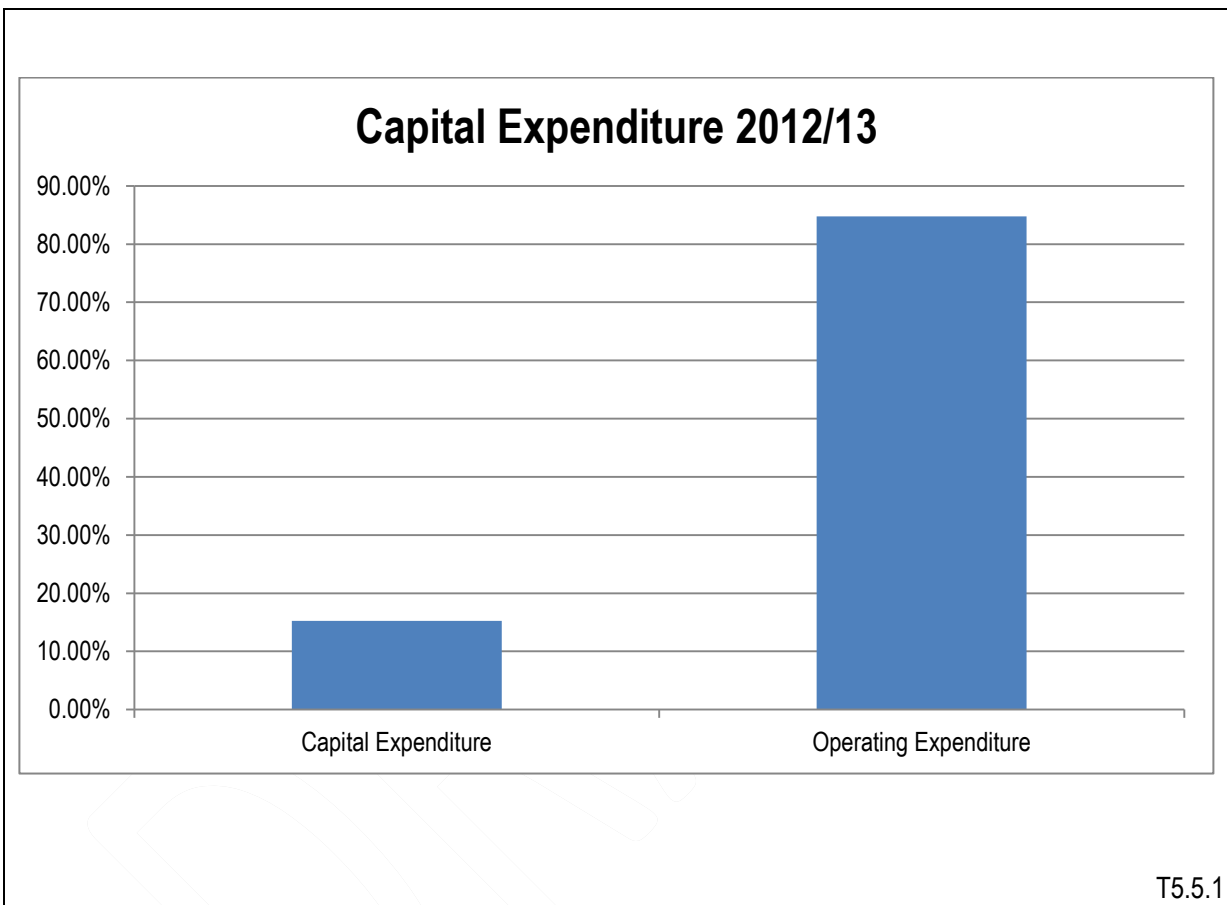
T5.4.8

T5.4.8

Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



Chapter 5

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2011/12 - 2012/13							
R' 000							
Details		2011/12	2012/13				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	4,748	2,000	2,000	0	0%	-100%
	Public contributions and donations	35,037	33,804	33,804	34,205	0%	1.18%
	Grants and subsidies	20,461	44,058	54,703	34,205	34.5%	-22.4%
	Other	1,057	2,000	400	832	-80%	-58.4
Total		61,303	81,862	90,907	69,242	11.05%	-15.4%
Percentage of finance							
	External loans	7.7%	2.4%	2.2%	0.0%	-8.3%	-100%
	Public contributions and donations	57.2%	41.3%	37.2%	49.4%	-9.9%	19.6%
	Grants and subsidies	33.4%	53.8%	60.2%	49.4%	11.9%	-8.2%
	Other	1.7%	2.4%	0.4%	1.2%	-83.3%	-50%

Capital expenditure							
	Water and sanitation	16,136	14,265	14,912	8,245	4.5%	-42.2%
	Electricity	8,324	20,390	19,130	4,349	-6.2%	-78.7%
	Housing	0	0	0	0	0	0
	Roads and storm water	26,480	39,614	51,112	16,824	29%	-57.5%
	Other	16,440	500	3,895	4,786	679%	857%
Total		67,380	74,769	89,049	34,204	19.1%	-54.3
Percentage of expenditure							
	Water and sanitation	23.9%	19.1%	16.7%	24.1%	-12.6%	26.2%
	Electricity	12.4%	27.3%	21.5%	12.7%	-21.2%	-53.5%
	Housing	0.0%	0.0%	0.0%	0.0%	0%	0%
	Roads and storm water	39.3%	53%	57.4%	49.2%	8.3%	-7.2%
	Other	24.4%	0.7%	4.4%	14%	528.6%	1900%
T5.6.1							

Chapter 5

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A – Drilling of Boreholes in Msukaligwa Farm Areas	2,000,000	2,000,000	4,000,000	-100%	0%
B – Installation of High mast lights	2,500,000	2,500,000	2,922,889	-17%	0%
C – Concrete Palisade Fencing	2,335,000	2,335,000	2,335,000	0%	0%
D - Installation of ventilated pit latrines	2,000,000	2,000,000	4,000,000	-100%	0%
E - Construction and repair of roads in Lothair	3,500,000	3,500,000	3,500,000	0%	0%
* Projects with the highest capital expenditure in 2012/13. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					

Name of Project - A	Drilling of Boreholes in Msukaligwa Farm
Objective of Project	Provision of water to communities
Delays	None
Future Challenges	cost in maintenance of the boreholes
Anticipated citizen benefits	8000citizens (2000 households)

Name of Project - B	Installation of High mast lights
Objective of Project	Provision of light to communities
Delays	Procurement processes and late supply of materials
Future Challenges	Increase in number of households
Anticipated citizen benefits	10000 citizens(2500 households)

Name of Project - C	Refurbishment and upgrading of sewer treatment plant
Objective of Project	Provision of safe environment
Delays	None
Future Challenges	Increase in number of municipal buildings
Anticipated citizen benefits	35000 citizens (8750 households)

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Name of Project - D	Installation of ventilated pit latrines
Objective of Project	Provision of pit latrines
Delays	None
Future Challenges	Increase in number of households
Anticipated citizen benefits	44856 citizens(288 households)

Name of Project - E	Construction and repair of roads in Lothair
Objective of Project	Provision of accessible roads
Delays	None
Future Challenges	Maintenance costs of roads
Anticipated citizen benefits	4154 citizens (1080 households)
T5.7.1	

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Service Backlogs as at 30 June 13				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	34,569	84%	6,363	16%
Sanitation	31,845	78%	9,087	22%
Electricity	11,674	57%	10,160	46%
Waste management	26216	68%	12545	32%
Housing		%		%
% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.				
T5.8.2				

Municipal Infrastructure Grant (MIG)* Expenditure 2012/13 on Service backlogs								R' 000
Vote Description	2011/12	Budget Year 2012/13					Major conditions applied by donor (continue below if necessary)	
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Variance			
					Budget	Adjust ment Budget		
R thousands								
<u>Multi-Year expenditure appropriation</u>								
Vote 01 - Summary	19,971	2,000	13,233	13,233	-562%	0%		

Chapter 5

Department Town Engineer							
Vote 02 - Summary Electricity	6,436	5,000	3,039	3,039	39%	0%	
Vote 03 - Summary Department Public Safety	–	–	–	–	0%	0%	
Vote 04 - Summary Department Community And Health	–	3,593	3,858	3,858	-7%	0%	
Vote 05 - Summary Department Corporate Services	–	–	–	–	0%	0%	
Vote 06 - Summary Council General	–	–	–	–	0%	0%	
Vote 07 - Summary Department Finance	–	–	–	–	0%	0%	
Total Capital Multi-year expenditure	26,407	10,593	20,130	20,130	-90%	0%	
<u>Single Year expenditure appropriation</u>							
Vote 01 - Summary Department Town Engineer	30,551	51,879	52,696	52,696	-2%	0%	
Vote 02 - Summary Electricity	1,889	15,390	16,091	16,091	-5%	0%	
Vote 03 - Summary Department Public Safety	–	–	50	50	0%	0%	
Vote 04 - Summary Department Community And Health	415	500	285	285	43%	0%	
Vote 05 - Summary Department Corporate Services	(1)	1,000	50	50	95%	0%	
Vote 06 - Summary Council General	507	2,500	2,015	2,015	19%	0%	
Vote 07 - Summary Department Finance	–	–	125	125	0%	0%	
Total Capital single-year expenditure	33,359	71,269	71,312	71,312	0%	0%	
Total Capital Expenditure	59,766	81,863	91,442	91,442	-12%	0%	
<u>Capital Expenditure - Standard Classification</u>							
<u>Governance and administration</u>	1,246	3,500	2,190	2,190	37%	0%	
Executive and council	507	2,500	2,015	2,015	19%	0%	

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Budget and treasury office	19	–	125	125	0%	0%	
Corporate services	720	1,000	50	50	95%	0%	
Community and public safety	27,420	43,708	51,706	51,706	-18%	0%	
Community and social services	438	2,735	3,050	3,050	-12%	0%	
Sport and recreation	–	858	858	858	0%	0%	
Public safety	26,480	39,614	47,562	47,562	-20%	0%	
Housing	503	500	235	235	53%	0%	
Health	–	–	–	–	0%	0%	
Economic and environmental services	–	–	219	219	0%	0%	
Planning and development	–	–	–	–	0%	0%	
Road transport	–	–	219	219	0%	0%	
Environmental protection					0%	0%	
Trading services	32,803	34,655	37,327	37,327	-8%	0%	
Electricity	8,324	20,390	19,130	19,130	6%	0%	
Water	16,136	14,265	18,197	18,197	-28%	0%	
Waste water management	8,344	–	–	–	0%	0%	
Waste management	(1)	–	–	–	0%	0%	
Other	–	–	–	–	0%	0%	
Total Capital Expenditure - Standard Classification	61,469	81,863	91,442	91,442	-12%	0%	
Funded by:							
National Government	46,153	44,058	54,703	54,703	-24%	0%	
Provincial Government	30	–	–	–	0%	0%	
District Municipality					0%	0%	
Other transfers and grants					0%	0%	
Transfers recognised - capital	46,183	44,058	54,703	54,703	-24%	0%	
Public contributions & donations	–	33,804	33,804	33,804	0%	0%	
Borrowing	507	2,000	2,000	2,000	0%	0%	
Internally generated funds	1,702	2,000	794	794	60%	0%	
Total Capital Funding	48,391	81,863	91,302	91,302	-12%	0%	
<p>* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</p>							T5.8.3

Chapter 5

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

Cash Flow Outcomes				
				R'000
Description	2011/12	Current year 2012/2013		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	237,110	296,967	296,967	296,967
Government - operating	96,846	110,532	110,532	110,532
Government - capital	41,703	44,058	44,058	44,058
Interest	10,713	10,952	10,952	10,952
Dividends				
Payments				
Suppliers and employees	(302,787)	(387,572)	(387,572)	(387,572)
Finance charges	(647)	(13)	(13)	(13)
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	82,939	74,925	74,925	74,925
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	10,000	10,000
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments	279	–	–	–
Payments				
Capital assets	(72,699)	(66,173)	(66,173)	(66,173)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(72,420)	(66,173)	(56,173)	(56,173)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	2,000	2,000	2,000
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	754	754	754
Payments				
Repayment of borrowing	(2,487)	(3,206)	(3,206)	(3,206)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2,487)	(452)	(452)	(452)
NET INCREASE/ (DECREASE) IN CASH HELD	8,032	8,300	18,300	18,300

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Cash/cash equivalents at beginning:	(13,893)	–	–	–
Cash/cash equivalents at month/year end:	(5,861)	8,300	18,300	18,300

COMMENT ON CASH FLOW OUTCOMES:

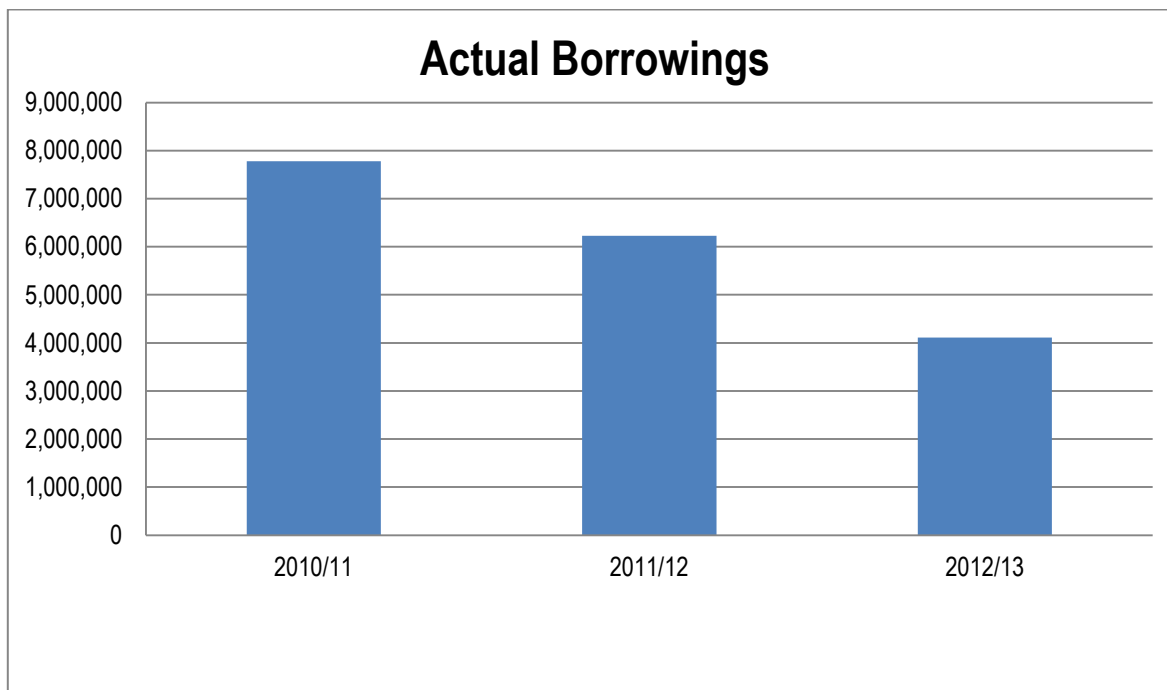
Comments from budget office

5.10 BORROWING AND INVESTMENTS

Actual Borrowings 2010/11 – 2011/12			
	R' 000		
Instrument	2010/11	2011/12	2012/13
Municipality			
Long-Term Loans (annuity/reducing balance)		58,875	54,056
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	7,779,184	6,170,101	4,059,566
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	7,779,184	6,228,976	4,113,622
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0

T5.10.2

Chapter 5



T5.10.3

Municipal and Entity Investments			
	R' 000		
Investment* type	2010/11	2011/12	2012/13
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	0	9,999,965	17,006,822
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			

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Other			
Municipality sub-total	0	9,999,965	17,006,822
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	0	0	
Consolidated total:	0	9,999,965	17,006,822
			T5.10.4

5.11 PUBLIC PRIVATE PARTNERSHIPS

None.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Municipality implemented a supply chain management policy in line with the provisions of Supply Chain Management Regulation. Procurement was done from SMME's as well as companies owned by youth and women. A supplier data base was completed in 2011/12 and being updated on a regular basis to enable easy of procurement of goods and services. The challenges the municipality has is that majority of companies are deregistered at CIPRO due to non submission of annual company registration returns. Most tenders were awarded to previously disadvantaged individuals. The following are officials on the supply chain management unit and have not yet reached the minimum National competency level of qualification they are still undergoing training:

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Surname and Name	Position
Hlongwa Bongani	Manager Supply Chain Management
Mahlangu Prudence	Supply Chain Practitioner
Portia Mshololo	Senior Clerk Supply Chain
Zamanyambose Malahlela	Supply Chain Clerical Assistant
Vacant	Supply Chain Management Clerk

T5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The financial results of the 2012/13 year as presented in this report is based on unaudited information and will be updated as soon as the report of the Auditor General has been issued. In this report, both qualitative and quantitative information will be provided on the results of the year.

The annual financial statements are prepared on an accrual basis of accounting and are in accordance with historical cost convention. The annual financial statements have been prepared in accordance with the Standards of Generally Recognized Accounting Practice (GRAP) as prescribed by the Minister of Finance in terms of General Notice 991 and 992 of 2005.

As far as it has been practicable, applicable standards have been adopted retrospectively and prior year figures have been restated to achieve comparability requirements.

T5.13.1

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13

6.1 AUDITOR GENERAL REPORTS 2012/13

ACTION PLAN TO DEAL WITH ISSUES RAISED BY THE AUDITOR-GENERAL FOR THE YEAR ENDED 30 JUNE 2013

No	Component Affected	Audit finding	Actions to Address the finding	Responsible person	Timelines/Target date
	Accumulated surplus	The municipality could not provide sufficient appropriate audit evidence to support prior period adjustments amounting to R1 246 993 173 processed through the accumulated surplus account. I could not verify this by alternative means. Consequently, I was unable to determine whether any adjustments to the accumulated surplus of R1 460 251 854 at 30 June 2013 disclosed in the statement of changes in net assets were necessary.	The DCFO should ensure that for any amount included in the AFS, whether it be adjustment >appropriate supporting documents is provided >Journals properly described supported with copy of original supporting documents >A register of all adjustment be provided be linked to particular amount in the AFS	CFO	31-May-14

Chapter 6

	Prior period adjustments	I was unable to obtain sufficient appropriate audit evidence regarding prior period error amounts as disclosed in note 38 to the financial statements. The amounts disclosed in the note do not agree to the actual adjustments made to the financial statements, and supporting evidence for these adjustments could not be provided. I was unable to determine whether any adjustments relating to the prior period error disclosed in note 38 to the financial statements or the corresponding amounts were necessary.	The DCFO should ensure that for any amount included in the AFS, whether it be adjustment >appropriate supporting documents is provided >Journals properly described supported with copy of original supporting documents >A register of all adjustment be provided be linked to particular amount in the AFS	CFO	31-May-14
	Property plant and equipment	The municipality could not provide sufficient appropriate audit evidence to support additions to infrastructure assets amounting to R6 939	The DCFO/Asset official should ensure that the following is done > Completion certificate has the amount that agrees with the original amount of the Contracts	CFO	31-May-14

Chapter 6

		<p>819 as disclosed in note 9 to the financial statements. Furthermore, the municipality could not provide sufficient appropriate audit evidence to support work-in-progress amounting to R57 730 966 as at 30 June 2013. The municipality's records did not permit the application of alternative procedures. Consequently, I was unable to determine whether any adjustment relating to property, plant and equipment amounting to R1 690 544 019 disclosed in note 9 to the financial statements was necessary.</p>	<p>>Progress payment (Invoices) in totality agrees to the original contract Amount, also variation considered >When Asset are decomponentise a unique reference number is provide for each component that will add up to the original contract amount >Allocate appropriate depreciation rate > Also adjustment should follow the same route, : Reconcile the total invoices of the amount being adjusted : Allocate appropriate depreciation rate : reinstate amount in case of assets being previously revaluated</p>		
	Value added tax (vat)	<p>The municipality did not ensure that VAT was accounted for correctly during the year, as the VAT input and output per the supporting documents submitted</p>	<p>The DCFO/Expenditure should ensue > Monthly vat reconciliation is done >Appropriate Working papers where Items that are considered to be in</p>	CFO	31-Mar-14

Chapter 6

		<p>did not agree to the VAT input and output recorded in the accounting records relating to revenue and expenditure. Due to the nature of errors noted and the financial statement line items affected, it was impractical to determine the value of the misstatements. Consequently there is an impact on the deficit for the period and on the accumulated deficit.</p>	<p>the production of income are considered for VAT >Ensure MP201 Agrees to GL >Journal appropriately passed and clearly defined</p>		
	Irregular expenditure	<p>In terms of section 125 of the MFMA, the notes to the financial statement of a municipality must include any material irregular expenditure incurred during the current year. Irregular expenditure amounting to R33 692 198 identified during the audit was not included in the accounting records of the</p>	<p>The MM Should ensure that the CFO and the Expenditure official/SCM provides him with a monthly reports of deviation from SCM clearly categorised >Fruitless and wasteful expenditure (e.g. Eskom interest and other cost incurred that could have been avoided) > Unauthorised</p>	CFO	31-May-14

Chapter 6

		municipality and in the financial statements. Consequently, irregular expenditure amounting to R4 644 111 disclosed in note 45 to the financial statements is understated by R33 692 198.	expenditure (Where a particular vote is exceeded) >Irregular expenditure (where procurement were done in contravention of the Act or SCM regulations)		
	Commitments	In terms of paragraph 124 of GRAP 1, Presentation of financial statements, and the other disclosures should include unrecognised contractual commitments. Unrecognised contractual commitments amounting to R32 603 448 identified during the audit process were not included in the accounting records of the municipality and in the financial statements. Consequently, the commitments disclosed in note 35 to the financial statements are understated by R32 603 448.	The CFO/SCM Should provide the MM with the monthly commitment register detailing >Contract approved but not yet awarded >Contract Approved and Awarded >Projects proposed probably wit estimates based on project plan submitted to CoGTA	CFO	30-Apr-14

Chapter 6

	Receivables from exchange transactions	The municipality did not separately present all receivables from non-exchange transactions on the face of the statement of financial position, as required by GRAP 1, Presentation of financial statements. A consumer debtor relating to property rates services amounting to R27 664 839 was included in the receivables from exchange transactions as disclosed in the financial statements. Consequently, receivables from exchange transactions are overstated and receivables from non-exchange transactions are understated by R27 664 839.	The DCFO/Revenue manager Should ensure that transaction are clearly defined by nature of services and when there is misclassification such corrected before it being found Auditors	CFO	30-Apr-14
	Aggregation of immaterial uncorrected misstatements	The financial statements as a whole are materially misstated due to the cumulative effect of numerous individually immaterial	The DCFO/Finance Team Should ensure monthly reconciliation is performed to identify >Items belonging to other financial year	CFO	30-Jun-14

Chapter 6

		<p>uncorrected misstatements in the following elements making up the statement of financial position:</p> <ul style="list-style-type: none"> • Expenditure is misstated by R2 101 928. • Receivables from exchange transactions are misstated by R6 240 988. • Employee cost is misstated by R2 370 908. 	<p>>items misclassified on the records</p> <p>>Payroll and financial system reconciled on monthly basis</p>		
	Restatement of corresponding figures	<p>As disclosed in note 38 to the financial statements, the corresponding figures for 30 June 2012 have been restated as a result of an error discovered during the year ended 30 June 2013 in the financial statements of the municipality at, and for the year ended, 30 June 2012.</p>	<p>The DCFO should ensure that for any amount included in the AFS, whether it be adjustment</p> <p>>appropriate supporting documents is provided</p> <p>>Journals properly described supported with copy of original supporting documents</p> <p>>A register of all adjustment be provided be linked to particular amount in the AFS</p>	CFO	30-Jun-14

Chapter 6

	Material losses	As disclosed in note 25 to the financial statements, material losses of electricity were incurred as a result of illegal connections, while material losses of water were incurred as a result of aged infrastructure.	the MM/Technical Services to conduct an investigation such as >Meter Audits >Detailed report on illegal connection and action taken against those consumers	CFO	30-Jun-14
	Material impairments	Receivables for consumer debtors totalling R212 703 708 at 30 June 2013 has been outstanding for more than 12 months. The total provision for bad debt for all consumer debtors is R183 212 240. The recoverability of these amounts is doubtful.	The MM/DCFO/Credit control to assess the collectability of these debts apply by-laws and the Act to recover such amounts	CFO	30-Jun-14

Chapter 6

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2012/2013

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE MSUKALIGWA LOCAL MUNICIPALITY REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the financial statements of the Msukaligwa Local Municipality set out on pages xxx to xxx, which comprise the statement of financial position as at 30 June 2013, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Because of the matters described in the basis for disclaimer of opinion paragraphs, however, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion

Accumulated surplus

4. The municipality could not provide sufficient appropriate audit evidence to support prior period adjustments amounting to R1 246 993 173 processed through the accumulated surplus account. I could not verify this by alternative means. Consequently, I was unable to determine whether any adjustments to the accumulated surplus of R1 460 251 854 at 30 June 2013 disclosed in the statement of changes in net assets were necessary.

Prior period adjustments

5. I was unable to obtain sufficient appropriate audit evidence regarding prior period error amounts as disclosed in note 38 to the financial statements. The amounts disclosed in the note do not agree to the actual adjustments made to the financial statements, and supporting evidence for these adjustments could not be provided. I was unable to determine whether any adjustments relating to the prior period error disclosed in note 38 to the financial statements or the corresponding amounts were necessary.

Chapter 6

Property, plant and equipment

6. The municipality could not provide sufficient appropriate audit evidence to support additions to infrastructure assets amounting to R6 939 819 disclosed in note 9 to the financial statements. Furthermore, the municipality could not provide sufficient appropriate audit evidence to support work-in-progress amounting to R57 730 966 as at 30 June 2013. The municipality's records did not permit the application of alternative procedures. Consequently, I was unable to determine whether any adjustment relating to property, plant and equipment amounting to R1 690 544 019 disclosed in note 9 to the financial statements was necessary.

Value-added tax (VAT)

7. The municipality did not ensure that VAT was accounted for correctly during the year, as the VAT input and output per the supporting documents submitted did not agree to the VAT input and output recorded in the accounting records relating to revenue and expenditure. Due to the nature of errors noted and the financial statement line items affected, it was impractical to determine the value of the misstatements. Consequently, there is an impact on the deficit for the period and on the accumulated deficit.

Irregular expenditure

8. In terms of section 125 of the MFMA, the notes to the financial statements of a municipality must include any material irregular expenditure incurred during the current year. Irregular expenditure amounting to R33 692 198 identified during the audit was not included in the accounting records of the municipality and in the financial statements. Consequently, irregular expenditure amounting to R4 644 111 disclosed in note 45 to the financial statements is understated by R33 692 198.

Commitments

9. In terms of paragraph 124 of GRAP 1, *Presentation of financial statements*, the other disclosures should include unrecognised contractual commitments. Unrecognised contractual commitments amounting to R32 603 448 identified during the audit process were not included in the accounting records of the municipality and in the financial statements. Consequently, the commitments disclosed in note 35 to the financial statements are understated by R32 603 448.

Receivables from exchange transactions

10. The municipality did not separately present all receivables from non-exchange transactions on the face of the statement of financial position, as required by GRAP 1, *Presentation of financial statements*. A consumer debtor relating to property rates services amounting to R27 664 839 was included in the receivables from exchange transactions as disclosed in the financial statements. Consequently, receivables from exchange transactions are overstated and receivables from non-exchange transactions are understated by R27 664 839.

Aggregation of immaterial uncorrected misstatements

11. The financial statements as a whole are materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in the following elements making up the statement of financial position:

Chapter 6

- Expenditure is misstated by R2 101 928.
- Receivables from exchange transactions are misstated by R6 240 988.
- Employee cost is misstated by R2 370 908.

Disclaimer of opinion

12. Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.

Emphasis of matters

13. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

14. As disclosed in note 38 to the financial statements, the corresponding figures for 30 June 2012 have been restated as a result of an error discovered during the year ended 30 June 2013 in the financial statements of the municipality at, and for the year ended, 30 June 2012.

Material losses

15. As disclosed in note 25 to the financial statements, material losses of electricity were incurred as a result of illegal connections, while material losses of water were incurred as a result of aged infrastructure.

Material impairments

16. Receivables for consumer debtors totalling R212 703 708 at 30 June 2013 had been outstanding for more than 12 months. The total provision for bad debt for all consumer debtors is R183 212 240. The recoverability of these amounts is doubtful.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

18. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages xxx to xxx of the annual report.
19. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability.

Chapter 6

20. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned development priorities. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).
21. The reliability of the information in respect of the selected development priorities is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
22. The material findings are as follows:

Usefulness of information

Presentation

23. Section 46 of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved. Measures to improve performance for 100% of the planned targets not achieved were not reflected in the annual performance report. This was due to a lack of documented and approved internal policies and procedures to address reporting requirements. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the reliability of the measures taken to improve performance.

Reliability of information

24. The FMPPI requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the information presented with respect to the water, electricity, sanitation and roads and storm water service objectives. This was because the municipality could not provide sufficient appropriate evidence in support of the information presented with respect to the development objective.

Compliance with laws and regulations

25. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA are as follows:

Budget

26. Monthly budget statements were not submitted to the mayor and the relevant provincial treasury, as required by section 71(1) of the MFMA.

Chapter 6

27. Quarterly reports were not submitted to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days after the end of each quarter, as required by section 52(d) of the MFMA.

Annual financial statements, performance report and annual report

28. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a disclaimer audit opinion.
29. The council's oversight report on the 2011-12 annual report was not made public within seven days of its adoption, as required by section 129(3) of the MFMA.

Procurement and contract management

30. Goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, as required by Supply Chain Management (SCM) Regulation 17(a) and (c).
31. Goods and services with a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).
32. Bid specifications were not always drafted by bid specification committees composed of one or more officials of the municipality, as required by SCM Regulation 27(3).
33. Bids were not always evaluated by bid evaluation committees composed of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality, as required by SCM Regulation 28(2).
34. Bid adjudication was not always done by committees composed in accordance with SCM Regulation 29(2).
35. Contracts and quotations were awarded to bidders who had not submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).
36. Awards were made to providers who were in the service of other state institutions or whose directors or principal shareholders were in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM Regulation 44.
37. A list of accredited prospective providers for procuring goods and services through quotations was not in place, in accordance with SCM Regulation 14(1)(a)(i) and (3).
38. The prospective providers' list for procuring goods and services through quotations was not updated at least quarterly to include new suppliers that qualify for listing, as per the requirements of SCM Regulation 14(2).

Chapter 6

39. Bid specifications for the procurement of goods and services through competitive bids were drafted in a biased manner that did not allow all potential suppliers to offer their goods or services, in contravention of SCM Regulation 27(2)(a).

Expenditure management

40. Money owing by the municipality was not always paid within 30 days or an agreed period, as required by section 65(2)(e) of the MFMA.
41. Reasonable steps were not taken to prevent unauthorised as well as fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

Transfer of funds and conditional grants

42. The municipality did not timeously submit project registration forms for projects it intended implementing in the 2013-14 financial year to the local government department, as required by the division of revenue grant framework issued in Gazette No. 35399.
43. The municipality did not submit project implementation plans to the national department (CoGTA), as required by the division of revenue grant framework issued in Gazette No. 35399.

Revenue management

44. An adequate management, accounting and information system was not in place to account for receipts of revenue, as required by section 64(2)(e) of the MFMA.
45. An effective system of internal control for revenue and debtors was not in place, as required by section 64(2) (f) of the MFMA.

Asset management and liability management

46. An adequate management, accounting and information system was not in place to account for assets, as required by section 63(2)(a) of the MFMA.
47. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Strategic planning and performance

48. The municipality did not establish a performance management system, as required by section 38(a) of the MSA.
49. The annual performance report for the year under review did not include the name of external service providers and measures taken to improve performance, as required by section 46(1)(a) and (c) of the MSA.

Human resource management

50. Sufficient appropriate audit evidence could not be obtained that the appointment of senior managers directly accountable to the municipal manager had been approved by the council, as required by section 56(1)(a) of the MSA.

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The competencies of financial and SCM officials were not assessed timeously to identify and address gaps in competency levels, as required by Municipal Regulation on Minimum Competency Levels 13.

51. The municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and the relevant provincial treasury, as required by Municipal Regulation on Minimum Competency Levels 14(2)(a).
52. The annual report of the municipality did not reflect information on compliance with prescribed minimum competencies, as required by Municipal Regulation on Minimum Competency Levels 14(2)(b).

Audit committee

53. The audit committee did not advise the accounting officer on matters relating to effective governance, performance management and performance evaluation, as required by section 166(2)(a) of the MFMA.

Internal control

54. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for the disclaimer of opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

55. The municipality did not implement effective human resource management to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
56. The accounting officer did not always ensure that ongoing monitoring and supervision were undertaken to enable an assessment of the effectiveness of internal control.
57. The accounting officer did not evaluate whether management had implemented effective internal controls by gaining an understanding of how senior management members had met their responsibilities.

Financial and performance management

58. Management did not implement adequate controls over daily and monthly processing and reconciling of transactions.
59. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.
60. Management at the appropriate level did not ensure that compliance with applicable laws and regulations was adequately reviewed and monitored throughout the year.
61. Financial information submitted with the financial statements for auditing was not adequately reviewed for accuracy and completeness.

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Governance

62. A risk assessment was not properly performed to understand the risks facing the municipality.

OTHER REPORTS

Investigations in progress

63. An investigation is being conducted to probe employees who allegedly stole cash from the sale of electricity, an employee who unlawfully filled his car with the municipality's petrol, and employees who fraudulently signed lease agreements for flats owned by the municipality. The investigation was still ongoing at the reporting date.

Auditor - General

Nelspruit

30 November 2013



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Chapter 6

MFMA COMPLIANCE

All MFMA and DORA returns are submitted by the municipality as required monthly, quarterly and annually.

Name of return	Submitted to
MONTHLY	
Financial Management Grant	NT
Age Analysis Debtors (AD) and Creditors (AC), Cash Flow, Operating Statement Actual (OSB)	NT
Section 71 Budget Statements	PT
Supply Chain Management	NT/PT
MIG returns	COGTA
Equitable Share	COGTA
QUARTERLY	
MFMA Implementation and monitoring checklist	NT
Municipal entities	NT
Public Private Partnerships	NT
Long-term contracts	NT
Borrowing	NT
ANNUALLY	
Appendix A	NT
Operating Statement Budget (OSB)	NT
New Budget Regulations 1 April 2009	NT/PT

SIGNED (CFO): DATED:

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	Service delivery & infrastructure Economic development Municipal transformation and institutional development

GLOSSARY

	Financial viability and management Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
	FT/PT			%	%
Cllr. J.S. Bongwe	FT	Council/ Mayoral Committee/ South African Local Government Association	Executive Mayor	73%	27%
Cllr. B.M. Vilakazi	FT	Council/ Rules and Ethics/ By-Laws and Policies/ South African Local Government Association	Speaker	100%	0%
Cllr. N.G. Mashinini	FT	Council/ Rules and Ethics/ LED and Tourism/ Local Labour Forum/ South African Local Government Association	Chief Whip	100%	0%
Cllr. V.C.N. Madini	FT	Council/ Mayoral Committee	PR ANC	93%	7%
Cllr. M.P. Nkosi	FT	Council/ Mayoral Committee	Ward 1	93%	7%
Cllr. E.C. Msezane	PT	Council/ Community Services Committee/ Local Aid Forum/ Highveld Show Society	Ward 2	93%	7%
Cllr. M.V. Malinga	PT	Council/ Technical Services Committee/ Local Geographical Names Committee/ Budget Evaluation	Ward 3	93%	7%
Cllr. B. N.N. Ndlovu	PT	Council/Corporate Services/Community Services/Local AIDS Forum/ Municipal Public Accounts/ Gender Youth People Disabilities	Ward 4	87%	13%
Cllr. F.J. Mabasa	PT	Council/ Technical	Ward 5	93%	7%

APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
	FT/PT			%	%
		Services Committee/ Moral Regeneration Movement			
Cllr. T.T. Malaza	PT	Council/ Corporate Services Committee/ Rules and Ethics/ Local Geographical Names Committee/ Budget Evaluation/ Moral Regeneration Movement/ Child care organizations	Ward 6	93%	7%
Cllr. Z. Breydenbach	PT	Council/ Corporate Services Committee/ Rules and Ethics/ Municipal Public Account Committee/ Highveld Show Society	Ward 7	93%	7%
Cllr. H.F. Swart	PT	Council/ Finance Committee/ Local Labour Forum	Ward 8	87%	13%
Cllr. M.J. Mhlanga	PT	Council/ Local Aid Forum/ Local Labour Forum	Ward 9	100%	0%
Cllr. D.S. Nkosi	PT	Council/ Finance Committee/ LED and Tourism/ Munimed Medical Aid Scheme	Ward 10	100%	0%
Cllr. L.P. Mnisi	PT	Council/ Technical Services Committee/ Finance Committee/ Sport and Recreation	Ward 11	80%	20%
Cllr. K.H. Dladla	PT	Council/ Public Safety Committee/ Rules and Ethics	Ward 12	73%	27%
Cllr. Z.C. Dhludhlu	PT	Council/ Community Services Committee/ Moral Regeneration Movement	Ward 13	87%	13%
Cllr. S.J. Msibi	PT	Council/ Technical Services Committee/ Local Geographical Names Committee/	Ward 14	87%	13%

APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
				%	%
		Budget Evaluation/ Gender, youth and people with disabilities/ Sport and Recreation			
Cllr. S.L. Jele	PT	Council/ Corporate Services Committee	Ward 15	100%	0%
Cllr. Z.J. Nkosi	PT	Council/ Community Services Committee	Ward 16	100%	0%
Cllr. B.I. Sibiya	PT	Council/ Moral Regeneration Movement/ Municipal Public Account Committee	Ward 17	93%	7%
Cllr. S.E. Vilakazi	PT	Council/ Community Services Committee	Ward 18	87%	13%
Cllr. P.T. Sibeko	PT	Council/ Public Safety Committee/ Technical Services Committee	Ward 19	93%	7%
Cllr. D. Mabunda	PT	Council/ Community Services Committee/ Local Aid Forum/Local Labour Forum	PR ANC	100%	0%
Cllr. P.E. Mashiane	PT	Council/ Public Safety Committee/ By-Laws and Policies/ Local Labour Forum	PR ANC	100%	0%
Cllr. T.C. Ngwenya	PT	Council/ Finance Committee/ LED and Tourism/ Local Aid Forum/ Local Labour Forum/ Municipal Public Account Committee/ South African Local Government Association	PR ANC	87%	13%
Cllr. P.B. Nkosi	PT	Council/ Public Safety Committee/ Local Geographical Names Committee/ Budget Evaluation/ Gender, youth and people with disabilities/ Child care organizations	PR ANC	100%	0%
Cllr. G.T. Msimango	PT	Council/ Moral	PR ANC	100%	0%

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
				%	%
		Regeneration Movement/ South African Local Government Association			
Cllr. P.B. Maseko	PT	Council/ Finance Committee/ Rules and Ethics/ LED and Tourism/ Municipal Public Account Committee/ Agricultural Union	PR ANC	87%	13%
Cllr. S.J. Nkosi	PT	Council/ By-Laws and Policies/ LED and Tourism/ Moral Regeneration Movement	PR ANC	93%	7%
Cllr. B.R. Ngwenya	PT	Council/ Corporate Services Committee/ Local Geographical Names Committee/ LED and Tourism/ Budget Evaluation/ Gender, youth and people with disabilities/ Sport and Recreation	PR ANC	87%	13%
Cllr. B.S. Puwani	PT	Council/ By-Laws and Policies/ Municipal Public Account Committee	PR ANC	80%	20%
Cllr. M.S. Nkosi	PT	Council	PR ANC	100%	0%
Cllr. S.C. Mathebula	PT	Council/ Public Safety Committee/ By-Laws and Policies	PR DA	80%	20%
Cllr. J.H. Sibanyoni	PT	Council/ Finance Committee/ By-Laws and Policies/ Local Aid Forum/ Municipal Public Account Committee/ Munimed Medical Aid Scheme	PR COPE	93%	7%
Cllr. B.I. Mabuza	PT	Council/ Corporate Services Committee/ Gender, youth and	PR DA	100%	0%

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
				%	%
		people with disabilities			
Cllr. G.S. Greyling	PT	Council/ Technical Services Committee/ Local Geographical Names Committee/ Budget Evaluation/ Municipal Public Account Committee	PR DA	67%	33%
Cllr. J.D.A. Blignaut	PT	Council/ Public Safety Committee/ Municipal Public Account Committee/ Agricultural Union	PR FF+	73%	27%
Note: * Councillors appointed on a proportional basis do not have wards allocated to them					T A

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Corporate Services Committee	To exercise oversight on corporate services matters.
Public Safety Committee	To exercise oversight on Public Safety matters.
Technical Services Committee	To exercise oversight on Technical Services matters.
Community Services Committee	To exercise oversight on Community Services matters.
Finance Committee	To exercise oversight on Financial matters.
Rules and Ethics Committee	Oversight role on the code of conduct of Councillors.
By- Law and Policies Committee	Policy formulation, development and implementation.
Local Geographical Names Committee	Standardization and renaming of identified features and public facilities.
Led and Tourism Committee	Promotion of viable economic environment for sustainable growth.
Budget Evaluation committee	Evaluate the income and expenditure activities of the municipality and make

APPENDICES

	recommendations to section 80 committees for oversight.
Local Aids Forum Council	Creating awareness on the scourge of HIV and AIDS pandemic including coordination HIV awareness programmes in various workplaces
Local labour Forum Committee	Advice on issues of mutual interest involving management and the workforce.
Moral Regeneration Movement Committee	Promotion of moral values within the society.
Municipal Public Account Committee	<ul style="list-style-type: none"> To report to Council on the activities of the Committee, To review the municipality and municipal entity's annual report and develop the oversight report on the annual report, To promote good governance, transparency and public accountability, To examine the Mid Year Review document, To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented, To recommend any investigations in its area of competence to EXCO or Council, To seek any information and have access to it from any councilor/employee, To conduct investigation in the recovery of unauthorized, irregular or fruitless and wasteful expenditure in terms of Section 32 (2) of Municipal Finance Management Act (MFMA), To perform any other function assigned by resolution of Council
Gender Youth and People with disabilities Committee	Playing an advocacy role in the protection of the rights and interests of the vulnerable groups comprising women, youth and people with disability.

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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Corporate Services	Mr. N.L. Maimela – Director Corporate Services
Finance	Ms T M Lengwate – Chief Financial Officer
Technical Services	Mr H F Bezuidenhout - Acting Director Technical Services
Public Safety	Mr. D.I Maluleke - Director Public Safety
Community Services	Mr. T.S Dondolo – Acting Director Community
Office of the Municipal Manager	Mr. T.B.W Dlamini – Municipal Manager
Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).	

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APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	Yes
Building regulations	Yes	No
Child care facilities	No	Yes
Electricity and gas reticulation	Yes	Yes
Fire fighting services	Yes	No
Local tourism	No	Yes
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal health services	No	Yes
Municipal public transport	No	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	N/A	N/A
Storm water management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No

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Continued from previous page

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities	N/A	N/A
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	No	Yes
Facilities for the accommodation, care and burial of animals	No	Yes
Fencing and fences	Yes	No
Licensing of dogs	N/A	N/A
Licensing and control of undertakings that sell food to the public	No	Yes
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	No	Yes
Municipal abattoirs	No	Yes
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	No	Yes
Pounds	No	Yes
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No
* If municipality: indicate (yes or No); * If entity: Provide name of entity		T D

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APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
One	Cllr MP Nkosi Mhlambi Sonto Lukhele Sdudla L Lubisi Sambulo E Nyoni Nomsa Skosana Sonto Rainy Mkhwanazi Njabulo M Nkosi Thabo Zwane Thembi	Yes	4	1	3
Two	Cllr EC Msezane Vilakazi Esther Fikile Msibi Nonhlanhla R Nkosi Nokusa S Motha Phillip F Magagula Sindisiwe P Simelane Sizakele M Mkhwanazi Lucky Ndlela Thulani R Ndlovu Mashila S Shongwe Baby C	Yes	4	0	3
Three	Cllr MC Lukhele Hlengwa Maria N Nkosi Jonathan Phiri Jan Thokozani Nkosi Trevor Gs Nkosi Lindiwe B D Nxumalo Nhlanhla G Hlophe Zenzele Z Zulu Nomsa Beauty Nhlapo Alfred Mweli John	Yes	3	0	1
Four	Cllr BNN Ndlovu Masina Dumisani	Yes	1	0	1

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Khumalo Zwelithini G Ndlangamandla Gift S Maseko Doctor L Khanye Valentine Ngwenya Prudence Ntshangase Simphiwe Madonsela Sanele Mabuza Jabulile Sibeko Eric				
Five	Cllr FJ Mabasa Dludlu Bethusile Mdluli Mandlenkosi Ndinisa Lindiwe Mokoena Lawrence Thabethe Ntombimpela Mavimbela Emanuel Mthethwa Nonhlanhla Mthethwa Nelisile Lukhele Mshiseni A Mokoena Doctor	Yes	3	0	1
Six	Cllr TT Malaza Fakude Bongani E Dludlu Lydia Sibiya Jabulani C Nkambule Zamokuhle Tlema Jabulile SS Mashele Sicelo Lm Malinga Johannes M Mayisela David E Shabangu Muziwakhe Mabuza EN	Yes	4	0	2
Seven	Cllr Z Breydenbach Monareng Mosela Reis Micheal Dos Breydenbach Gerrit Mokoena Veli J Vilakazi Fikile Linah Nyawo Luyanda S	Yes	4	0	1

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mtshali Precious N Mahlobo Wiseman M Zwane Thembi G Zimela Nokwanda				
Eight	Cllr HF Swart Bothma Schalk Willem Van Der Merwe Yolanda Badenhorst Jacobus Cremer Cynthia Nkosi Themba Joseph Motha Bongani G Makhubu P Noncayi Hlabane Critic Jabu Mkhwanazi Zandle Ivy Sithole Bhekizizwe M	Yes	1	0	1
Nine	Cllr MJ Mhlanga Ngwenyama Gift Elton Lusenga Busisiwe G Mkhonto Makhosini Zulu Tafayile P Madonsela Phindile I Mlangeni Sindisiwe E Sithole Sbongile N Gumede Linda Nkosi Nelisiwe J Mnisi Mphikeleli June	Yes	5	1	3
Ten	Cllr DS Nkosi Vilakazi Zanele Haizel Kuhlase Mandla M Maseko Thandi Mngomezulu Zakhele Thela Sipiwe Anna Mthethwa Duduzile P Nkosi Mbongwa S Sibeko Zodwa Preety Mabuza Thoko Y Nhlapo Absalon	Yes	3	0	2
Eleven	Cllr LP Mnisi	Yes	4	0	2

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nkosi Lina Nyanyekile Malinga Thembelihle Kunene Sabelo P Nkosi Gugu P Khalishwayo Msidi N Dlangamandla Dizile Fakude Emmah Nkosi Linah Babazile Dlamini B Nkambule Khumbu				
Twelve	Cllr KH Dladla Ngema Sbhongile E Nkosi Nkosinathi E Dladla Jv Nkosi Sebenzile J Mkhwanazi Fana S Slabbert Nonhlanhla Zwane Nkosinathi I Nkabinde James K Nkonde Ntombikayise Mdluli Mkhapheni Enoch	Yes	5	0	3
Thirteen	Cllr ZC Dhludhlu Nkonde Ntombikayise Shongwe Wonderboy Mahlangu Ta Msibi Zodwa Phyllis Nazo Ntombi Zulu Kholi Nellie Nkosi Nkosenhle R Ngwenya Fakazile L Dlamini Busi Malaza Thembisile	Yes	7	2	3
Fourteen	Cllr SJ Msibi Mahlangu Nkululeko Hadebe Nomadlozi Mkhonza Thalitha Lukhele Bonginkos L Dlamini Jabulane Paul	Yes	6	0	3

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nkonde Sthembile E Ndlovu Mxolisi Sibande Doris Nkambule Edward S Mahlangu Sophie S				
Fifteen	Cllr SL Jele Soko M Conception Mndebele Zinhle Dladla Muzi E Manana Richard K Madonsela Nontokozi Magagula Delisile Banda PS Dhludhlu Thulisile Shabangu Abraham Thela Mthokozisi	Yes	1	0	1
Sixteen	Cllr ZJ Nkosi Mkhonza Simeon Simelane Nonhlanhla Masuku Joe Zephania Mhlanga Mzwakhe Nkosi Zodwa Getrude Masango Sibusiso M Shongwe Delisile Madonsela Anna M Nkosi Dumisani P Mkhwanazi Bonginkosi	Yes	7	1	2
Seventeen	Cllr BI Sibiya Thwala X George Nkosi Thulani Monday Mashinini Petros Basson Kulph Ndlovu Gcibelo B Zwane Bafana S Sibeko Elijah Gideon Ngubeni Busisiwe Letaba Khabonina Mashinini Jacob V	Yes	7	1	3

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Eighteen	Cllr SE Vilakazi Monareng Mandla T Masina Delisile J Nkambule Themba Mnisi Siyabonga Sibande Muziwakhe J Nkosi Mbekeni C Nkosi Aaron Khumalo M Nelisiwe Zwane Bongani David Mlotshwa Smangele	Yes	3	0	2
Nineteen	Cllr PT Sibeko Vilakazi Winnie Diphofa Nomthandazo Dlodlu Amon Sipho Maphanga Khesiah N Mahlangu Bafana Khumalo Sfiso Golden Shabangu Lukile G Hlophe Phamela N Mthethwa Xolani W Zandamela Themba T	Yes	6	0	3

APPENDICES

APPENDIX F – WARD INFORMATION

Ward Title: Ward 01, 03, 11, 13 and 16				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Concrete palisade Fencing of cemeteries and reservoirs in Msukaligwa <ul style="list-style-type: none"> Fencing of reservoirs – Ward 1 Fencing of WWTP – Ward 3 Fencing of Cemetery – Ward 11 Fencing of WTP – Ward 13 Fencing of cemetery – Ward 13 	02 July 2012	28 June 2013	5,317,941
				T F.1

Ward Title: Ward 9, 10, 11, 16, 18 and 19				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Drilling of boreholes in Msukaligwa farm areas (Phase 2)	02 July 2012	28 June 2013	5,298,112
	Installation of VIP toilet at farm areas (Phase 3)	02 July 2012	28 June 2013	3,882,296.97
				T F.1

Ward Title: Ward 19 Chrissiesmeer				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Rebuild gravel road Isidingo / KwaChibikhulu (Phase 4) link road	02 July 2012	28 June 2013	3,500,000
				T F.1

Ward Title: Ward 13 Breyten				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Construction and repair of road in Phosa Village (Phase 2)	02 July 2012	28 June 2013	3,500,000
				T F.1

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Ward Title: Ward 16 Ermelo				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Rebuild gravel road Amsterdamweg Piet Retief rd./ brickworks (Phase2)	02 July 2012	28 June 2013	2,669,481
				T F.1

Ward Title: Ward 14 KwaZanele				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix N)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
	Upgrading of KwaZanele street	02 July 2012	28 June 2013	2,500,000
				T F.1

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	3166	6947	0	585	
Households without minimum service delivery	3197	2140	10160	13537	
Total Households*	6363	9087	40932	40932	
Houses completed in year					200
Shortfall in Housing units					
*Including informal settlements					T F.2

Top Four Service Delivery Priorities for the Municipality (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2012/13
1	Provision of adequate water supply.	56 water boreholes were drilled at various wards within the municipality. New water reticulation at Khayalisha settlement for 457 households (New settlement).
2	Provision of hygienic sanitation services.	436 VIP toilets constructed at various wards of the municipality. Installation of outfall sewer line at Khayalisha (Phase 1). Sewer reticulation for 457 households at Khayalisha.
3	Provision roads and storm water management	Roads were upgraded from gravel to paved roads at the following areas: <ul style="list-style-type: none"> Kwachibikhulu/Chrissiesmeer Wesselton – Simelane Street

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		<ul style="list-style-type: none"> • Cassim Park – Tayob Street • Wesselton – Manana Street • Breyten – Phosa street • Breyten – Kwazanele street • Wesselton – Extension 5 Street
4	Provision of houses (low cost houses and land for housing purposes)	<p>The department of Human Settlements funded for the sewer and water reticulation at Wesselton extension 7 and the project has not been finalized yet.</p> <p>200 low cost houses were built by the department of Human Settlements at Ermelo/Wesselton and Chrissiesmeer/Kwachibikhulu.</p>
T F.3		

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Elected Councilors and members of ward committees as well as meetings attended are contained in Appendix A and E

T F.3

APPENDICES

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2012/13

[illegible]

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into 2012/13)					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Escalation trading services	Supply and delivery of fuel	01/08/2012	30/06/2015		Operational budget
Ermelo motor spares	Supply and delivery of motor spares	05/11/2012	30/06/2015		Operational budget
Oascon / T M khoza	Professional services for public lighting (high mast)	05/01/2013	30/06/2016	PMU	R 135,000
Altimax	Professional services - GRAP	02/08/2012	30/06/2015		R 210,000 (per month)
Mgabisa Security Services	Provision of security services at various sites of Msukaligwa municipality	26/07/2012	30/06/2015		Operational budget
TMS consulting	Professional services for VIP toilets	02/08/2012	30/06/2015	PMU	R 311,910
Cesep	Professional services for storm water	02/08/2012	30/06/2015	PMU	R 360,240
Fire raiders	Emergency vehicles and equipment repairs	05/04/2013	30/06/2016		Operational budget
Lima Liqhambe Investments	Revenue and debt management	05/04/2013	30/06/2016		22% of collection
Zandile debt management	Revenue and debt management	06/04/2013	30/09/2016		10%
BCX	It services	26/05/2003	Not less than 5 years from effective date		Depending on municipal needs
Valuers Africa	Valuation roll	1/07/2011	30/06/2015		R 3,800,000
Afri- Infra	Professional services for roads in Msukaligwa	13/08/2012	30/08/2015	PMU	R 3,000,000 as per signed contract
Inzuzo Consulting Engineers	Professional services for roads	13/08/2012	03/08/2015	PMU	R 2,500,000 as per signed contract
Chem Tech Chemicals	Supply and delivery of chemicals for water purification	13/10/2011	30/10/2014		Operational (R106, 077 as per signed contract)

T H.1

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Public Private Partnerships Entered into 2012/13					R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2008/09
No PPPs entered into with the municipality					
					T H.2

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

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APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2012 to 30 June 2013		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor		
Member of MayCo / Exco		
Councillor		
Municipal Manager		
Chief Financial Officer		
Deputy MM and (Executive) Directors		
Other S57 Officials		
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J		

APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description R thousand	2011/12	Budget Year 2012/13				
	Audited Outcome	Original Budget	Adjusted Budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote						
Vote 01 - Summary Department Town Engineer	100,941	62,587	56,607	(627)	-1%	56,607
01.1 - Director Town Engineer	—	—	—	—	—	—
01.2 - Public Works	26,237	29	42	(32)	-77%	42
01.3 - Public Works Employees	—	—	—	—	—	—
From Province	—	—	—	—	—	—
01.4 - Technical Department	—	—	—	—	—	—
01.5 - PMU	1,664	2,019	2,019	—	—	2,019
01.6 - Airport	185	252	200	(160)	-80%	200
01.7 - Sewerage Income	17,411	18,347	20,948	67	0%	20,948
01.8 - Sewerage Network	8,190	—	—	—	—	—
01.9 - Sewerage Purification	276	—	—	—	—	—
01.10 - Water Income	31,401	41,927	33,385	(488)	-1%	33,385
01.11 - Water Network	15,400	—	—	—	—	—
01.12 - Water Purification	176	—	—	—	—	—
01.13 - Mechanical Workshop	—	13	13	(13)	-100%	13
Vote 02 - Summary Electricity	125,393	161,355	154,396	(3,355)	-2%	154,396
02.1 - Street Lights	—	—	—	—	—	—
02.2 - Electricity	125,393	161,355	154,396	(3,355)	-2%	154,396
02.3 - Street Lights	—	—	—	—	—	—
Vote 03 - Summary Department Public Safety	7,803	7,730	7,731	(1,183)	-15%	7,731
03.1 - Director Public Safety	—	1	1	(1)	-100%	1
03.2 - Fire Brigade Services	194	311	311	(186)	-60%	311
03.3 - Disaster Management	—	—	—	—	—	—
03.4 - Safety And Security	—	—	—	—	—	—
03.5 - Licensing	7,134	6,860	6,860	(917)	-13%	6,860
03.6 - Traffic	476	559	559	(79)	-14%	559
03.7 - Parking Meters	—	—	—	—	—	—
Vote 04 - Summary Department Community And Health	2,112	29,977	3,891	4,432	114%	3,891
04.1 - Director Community And Health	—	—	—	—	—	—

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04.2 - Cemetery	437	338	338	(19)	-6%	338
04.3 - Caravan Park	126	143	146	(14)	-10%	146
04.4 - Parks And Grounds	-	-	-	-		-
04.5 - Libraries	326	57	73	(28)	-38%	73
04.6 - Swimming Pool	-	1	-	0	-100%	-
04.7 - Sport & Recreation	10	9	16	(2)	-12%	16
04.8 - Sport Fields General	37	32	35	(2)	-5%	35
04.9 - Golf Course	0	145	70	(70)	-100%	70
04.10 - Health	-	-	-	-		-
04.11 - Clinics	-	-	-	-		-
04.12 - Tuberculosis Hospital	-	-	-	-		-
04.13 - Welfare	-	-	-	-		-
04.14 - Housing	1,096	29,134	3,096	4,596	148%	3,096
04.15 - Sub-economical Housing	80	118	119	(29)	-25%	119
04.16 - Libraries	-	-	-	-		-
04.17 - Swimming Pool	-	-	-	-		-
04.18 - Sport Fields General	-	-	-	-		-
04.19 - Golf Course	-	-	-	-		-
04.20 - Sport And Recreation	-	-	-	-		-
Vote 05 - Summary Department						
Corporate Services	17,672	19,645	20,912	(194)	-1%	20,912
05.1 - Refuse / Sanitary	16,177	17,792	18,953	66	0%	18,953
05.2 - Staff Flats	613	749	768	(30)	-4%	768
05.3 - Director Corporate Services	1	-	-	0	0%	-
05.4 - Civic Centre	168	196	283	(51)	-18%	283
05.5 - Administration	0	-	-	0	0%!	-
05.6 - Human Resources	713	908	908	(180)	-20%	908
05.7 - Occupational Health & Safety And Youth	-	-	-	-		-
Vote 06 - Summary Council						
General	91,416	109,028	108,973	(1,467)	-1%	108,973
06.1 - Town Planning And Building Control	19	-	-	14	0%	-
06.2 - Marketing & Communication	-	-	-	-		-
06.3 - Grants & Donations	-	-	-	-		-
06.4 - Town Planning	-	-	-	-		-
06.5 - Integrated Management Information System	-	-	-	-		-
06.6 - Local Economic Development	9	-	-	9	#DIV/0!	-
06.7 - Tourism	-	-	-	-		-
06.8 - Summary Council General	-	-	-	-		-
06.9 - Municipal Manager	0	0	0	0	50%	0
06.10 - Integrated Management Information System	1,511	1,806	1,746	(486)	-28%	1,746
06.11 - Local Economic	-	-	-	-		-

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Development						
06.12 - Tourism	-	-	-	-		-
06.13 - IDP & Internal Audit	-	-	-	-		-
06.14 - Council General	89,877	102,595	102,600	3,624	4%	102,600
06.15 - EXCO Councillors	-	-	-	-		-
06.16 - Mayor	-	-	-	-		-
06.17 - Speaker	-	-	-	-		-
06.18 - Councillors	-	4,628	4,628	(4,628)	-100%	4,628
06.19 - Director Marketing And Communication	-	-	-	-		-
06.20 - Marketing And Communication	-	-	-	-		-
06.21 - Local Economic Development	-	-	-	-		-
06.22 - Grants In Aid And Donations	-	-	-	-		-
06.23 - Tourism	-	-	-	-		-
Vote 07 - Summary Department Finance	66,051	68,755	69,508	2,655	4%	69,508
07.1 - Director Finance	-	-	-	-		-
07.2 - Assessment Rates	51,379	57,999	55,799	1,360	2%	55,799
07.3 - Municipal Store	-	1	1	(1)	-100%	1
07.4 - Finance	14,672	10,755	13,709	1,296	9%	13,709
Total Revenue by Vote	411,388	459,076	422,019	261	0%	422,019
Expenditure by Vote				-		
Vote 01 - Summary Department Town Engineer	79,318	88,064	82,938	(704)	-1%	82,938
01.1 - Director Town Engineer	1,010	2,254	1,144	(205)	-18%	1,144
01.2 - Public Works	16,413	17,268	14,687	(3,702)	-25%	14,687
01.3 - Public Works Employees From Province	-	-	-	-		-
01.4 - Technical Department	3,470	3,861	3,108	(26)	-1%	3,108
01.5 - PMU	1,669	2,019	1,802	(131)	-7%	1,802
01.6 - Airport	59	40	54	(9)	-16%	54
01.7 - Sewerage Income	-	-	-	-		-
01.8 - Sewerage Network	12,889	15,898	11,868	921	8%	11,868
01.9 - Sewerage Purification	4,646	7,871	5,412	20	0%	5,412
01.10 - Water Income	-	-	-	-		-
01.11 - Water Network	29,459	28,203	24,417	1,196	5%	24,417
01.12 - Water Purification	9,447	10,508	20,319	1,205	6%	20,319
01.13 - Mechanical Workshop	255	141	127	29	23%	127
Vote 02 - Summary Electricity	137,379	180,360	165,625	(7,315)	-4%	165,625
02.1 - Street Lights	1,446	1,401	1,489	95	6%	1,489
02.2 - Electricity	135,489	177,776	163,855	(7,402)	-5%	163,855
02.3 - Street Lights	444	1,183	281	(8)	-3%	281
Vote 03 - Summary Department Public Safety	29,396	33,154	36,099	(1,393)	-4%	36,099

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03.1 - Director Public Safety	8,443	9,600	14,172	(122)	-1%	14,172
03.2 - Fire Brigade Services	8,206	8,647	8,077	(124)	-2%	8,077
03.3 - Disaster Management	2,528	3,193	2,771	22	1%	2,771
03.4 - Safety And Security	30	–	2	(0)	0%	2
03.5 - Licensing	4,889	5,657	5,115	46	1%	5,115
03.6 - Traffic	5,301	6,057	5,962	(1,215)	-20%	5,962
03.7 - Parking Meters	–	–	–	–		–
Vote 04 - Summary Department Community And Health	17,711	18,772	19,596	(924)	-5%	19,596
04.1 - Director Community And Health	262	1,108	515	(231)	-45%	515
04.2 - Cemetery	1,850	2,005	1,800	22	1%	1,800
04.3 - Caravan Park	122	229	179	(49)	-27%	179
04.4 - Parks And Grounds	5,902	6,185	6,178	144	2%	6,178
04.5 - Libraries	2,678	2,470	2,864	243	8%	2,864
04.6 - Swimming Pool	56	26	31	1	3%	31
04.7 - Sport & Recreation	1,566	1,702	1,759	(19)	-1%	1,759
04.8 - Sport Fields General	1,718	1,735	2,307	(560)	-24%	2,307
04.9 - Golf Course	858	977	839	(207)	-25%	839
04.10 - Health	103	–	50	(8)	-15%	50
04.11 - Clinics	78	1	57	(11)	-18%	57
04.12 - Tuberculosis Hospital	21	–	6	(0)	0%	6
04.13 - Welfare	78	89	25	(24)	-96%	25
04.14 - Housing	2,419	2,245	2,987	(227)	-8%	2,987
04.15 - Sub-economical Housing	–	–	–	–		–
04.16 - Libraries	–	–	–	–		–
04.17 - Swimming Pool	–	–	–	–		–
04.18 - Sport Fields General	–	–	–	–		–
04.19 - Golf Course	–	–	–	–		–
04.20 - Sport And Recreation	–	–	–	–		–
Vote 05 - Summary Department Corporate Services	62,359	57,581	56,480	(891)	-2%	56,480
05.1 - Refuse / Sanitary	20,869	26,524	25,873	(1,096)	-4%	25,873
05.2 - Staff Flats	3	3	3	0	2%	3
05.3 - Director Corporate Services	7,754	8,451	7,519	1,184	16%	7,519
05.4 - Civic Centre	5,699	6,901	6,181	(69)	-1%	6,181
05.5 - Administration	4,768	4,657	4,977	114	2%	4,977
05.6 - Human Resources	22,930	10,868	11,829	(1,030)	-9%	11,829
05.7 - Occupational Health & Safety And Youth	336	177	98	5	6%	98
Vote 06 - Summary Council General	25,980	36,602	28,847	(455)	-2%	28,847
06.1 - Town Planning And Building Control	38	–	4	3	85%	4
06.2 - Marketing & Communication	49	–	1	1	85%	1
06.3 - Grants & Donations	7	32	22	(12)	-54%	22
06.4 - Town Planning	–	–	–	–		–

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06.5 - Integrated Management Information System	-	-	-	-		-
06.6 - Local Economic Development	4	-	-	-		-
06.7 - Tourism	-	-	-	-		-
06.8 - Summary Council General	-	-	-	-		-
06.9 - Municipal Manager	5,770	15,988	7,223	(2,416)	-33%	7,223
06.10 - Integrated Management Information System	3,895	2,191	2,410	(419)	-17%	2,410
06.11 - Local Economic Development	1,182	1,268	1,179	10	1%	1,179
06.12 - Tourism	27	27	17	(17)	-100%	17
06.13 - IDP & Internal Audit	1,165	1,496	1,611	61	4%	1,611
06.14 - Council General	3,588	4,809	4,480	2,252	50%	4,480
06.15 - Exco Councillors	1,324	1,555	1,540	27	2%	1,540
06.16 - Mayor	599	684	678	12	2%	678
06.17 - Speaker	469	551	546	10	2%	546
06.18 - Councillors	7,862	8,001	9,137	35	0%	9,137
06.19 - Director Marketing And Communication	-	-	-	-		-
06.20 - Marketing And Communication	-	-	-	-		-
06.21 - Local Economic Development	-	-	-	-		-
06.22 - Grants In Aid And Donations	-	-	-	-		-
06.23 - Tourism	-	-	-	-		-
Vote 07 - Summary Department Finance	28,950	40,530	29,917	(4,683)	-16%	29,917
07.1 - Director Finance	367	868	719	(8)	-1%	719
07.2 - Assessment Rates	9,457	13,508	3,067	(2,500)	-82%	3,067
07.3 - Municipal Store	(41)	(56)	(32)	13	-40%	(32)
07.4 - Finance	19,166	26,209	26,162	(2,187)	-8%	26,162
Total Expenditure by Vote	381,093	455,063	419,502	(16,364)	(0)	419,502
Surplus/ (Deficit) for the year	30,295	4,013	2,516	16,625	0	2,516

APPENDICES

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R '000
Description	2011/12	Budget Year 2012/13				
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source						
Property rates	51,379	57,999	55,799	1,360	2%	55,799
Property rates - penalties & collection charges				–		
Service charges - electricity revenue	117,676	155,454	149,646	(1,922)	-1%	149,646
Service charges - water revenue	18,229	24,711	21,896	(2,247)	-10%	21,896
Service charges - sanitation revenue	17,367	18,290	20,891	89	0%	20,891
Service charges - refuse revenue	16,163	17,768	18,929	85	0%	18,929
Service charges - other	3,613	4,006	4,741	136	3%	4,741
Rental of facilities and equipment	1,535	1,871	1,931	(297)	-15%	1,931
Interest earned - external investments	589	416	416	614	147%	416
Interest earned - outstanding debtors	10,124	7,373	10,373	1,144	11%	10,373
Dividends received				–		
Fines	434	498	514	(69)	-14%	514
Licences and permits	2,310	2,303	2,303	(17)	-1%	2,303
Agency services	4,853	4,587	4,587	(919)	-20%	4,587
Transfers recognised - operational	105,336	133,147	125,297	(660)	-1%	125,297
Other revenue	2,297	1,906	1,998	(1,638)	-82%	1,998
Gains on disposal of PPE	745	28,748	2,700	4,603	171%	2,700
Total Revenue (excluding capital transfers and contributions)	352,650	459,076	422,019	261	0%	422,019
Expenditure By Type						
Employee related costs	112,313	138,089	122,447	1,585	1%	122,447
Remuneration of councillors	9,010	9,682	9,682	62	1%	9,682
Debt impairment	17,844	41,908	9,954	(9,954)	-100%	9,954
Depreciation & asset impairment	31,247	6,614	13,647	(1,952)	-14%	13,647
Finance charges	12,067	12,490	14,506	(1,425)	-10%	14,506
Bulk purchases	107,706	131,776	133,226	1,404	1%	133,226
Other materials	48	73	102	(12)	-12%	102
Contracted services	18,346	23,935	29,083	(1,279)	-4%	29,083

APPENDICES

Transfers and grants	25,677	37,917	26,272	3,298	13%	26,272
Other expenditure	46,883	52,579	60,583	(8,090)	-13%	60,583
Loss on disposal of PPE	(49)	0	0	(0)	-100%	0
Total Expenditure	381,093	455,063	419,502	(16,364)	-4%	419,502
Surplus/(Deficit)	(28,443)	4,013	2,516	16,625	661%	2,516
Transfers recognised - capital	58,738	–	–	–		–
Contributions recognised - capital	–	44,058	44,058	(44,058)	-100%	44,058
Contributed assets	–	33,804	33,804	(33,804)	-100%	33,804
Surplus/(Deficit) after capital transfers & contributions	30,295	81,876	80,379	(61,238)	-76%	80,379
Taxation	–	–	–	–		–
Surplus/(Deficit) after taxation	30,295	81,876	80,379	(61,238)	-76%	80,379

APPENDICES

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Municipal Systems Improvement Grant	800,000	0	800,000	0%	0%	
Finance Management Grant	1,500,000	0	1,500,000	0%	0%	
Total	2,300,000	0	2,300,000	0%	0%	
<p>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</p>						
T L						

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

The grants were spent according to the business plan.

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APPENDICES

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*									
									R '000
Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	13,611	27,656	31,339	38,871	61,799	61,799	74,269	72,255	76,145
Infrastructure - Road transport	(1,207)	1,574	8,817	18,400	20,902	20,902	39,614	29,350	36,600
Roads, Pavements & Bridges	(1,207)	1,380	8,817	18,400	20,902	20,902	39,614	29,350	36,600
Storm water	–	194	–	–	–	–	–	–	–
Infrastructure - Electricity	988	4,361	3,933	9,636	12,354	12,354	20,390	10,100	5,100
Generation									
Transmission & Reticulation	461	322	1,618	7,236	9,954	9,954	15,390	5,100	2,100
Street Lighting	527	4,039	2,316	2,400	2,400	2,400	5,000	5,000	3,000
Infrastructure - Water	9,723	12,781	9,958	8,835	24,214	24,214	14,265	24,500	22,000
Dams & Reservoirs	–	–	–	8,835	8,835	8,835	–	–	–
Water purification	1,226	5,655	5,726	–	5,149	5,149	–	–	–
Reticulation	8,497	7,125	4,231	–	10,230	10,230	14,265	24,500	22,000
Infrastructure - Sanitation	4,107	8,940	8,631	2,000	4,329	4,329	–	8,305	12,445
Reticulation	4,107	5,316	3,891	2,000	2,408	2,408	–	8,305	3,000
Sewerage purification	–	3,624	4,739	–	1,922	1,922	–	–	9,445

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Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management									
Transportation									
Gas									
Other									
Community	2,442	4,062	2,249	-	172	172	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	880	424	-	-	-	-	-	-	-
Security and policing	-	-	99	-	-	-	-	-	-
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries	1,098	2,552	1,940	-	172	172	-	-	-
Social rental housing									
Other	464	1,086	210	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	6,351	4,378	7,535	500	3,723	3,723	4,000	4,212	4,418
General vehicles	3,551	1,451	5,354	-	2,000	2,000	2,000	2,106	2,209
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	1,137	1,581	565	50	991	991	1,000	1,053	1,105

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Furniture and other office equipment	285	375	992	50	30	30	–	–	–
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings									
Other Land	–	–	–	–	542	542	500	527	552
Surplus Assets - (Investment or Inventory)									
Other	1,378	971	624	400	161	161	500	527	552
<u>Agricultural assets</u>	–	–	–	–	–	–	–	–	–
<u>Biological assets</u>	–	–	–	–	–	–	–	–	–
<u>Intangibles</u>	–	–	–	–	–	–	–	–	–
Computers - software & programming									
Total Capital Expenditure on new assets	22,405	36,096	41,122	39,371	65,694	65,694	78,269	76,467	80,563
<u>Specialised vehicles</u>	–	–	–	–	–	–	–	–	–
Refuse									
Fire									
Conservancy									
Ambulances									

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APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*									
R '000									
Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>									
<u>Infrastructure</u>	68	–	274	–	3,226	3,226	–	–	–
Infrastructure - Road transport Roads, Pavements & Bridges	–	–	–	–	–	–	–	–	–
Storm water									
Infrastructure - Electricity Generation	68	–	–	–	–	–	–	–	–
Transmission & Reticulation	68	–	–	–	–	–	–	–	–
Street Lighting									
Infrastructure - Water Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification									
Reticulation	–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation Reticulation	–	–	274	–	3,226	3,226	–	–	–
Sewerage purification	–	–	274	–	3,226	3,226	–	–	–
Infrastructure - Other Waste Management	–	–	–	–	–	–	–	–	–
Transportation									
Gas									

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<i>Other</i>									
Community	124	1,348	18	-	-	-	-	-	-
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls	124	1,348	18	-	-	-	-	-	-
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Buses									
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	-	-	-	-	-	-	-	-	-
General vehicles									
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment									
Computers - hardware/equipment									
Furniture and other office equipment									
Abattoirs									
Markets									
Civic Land and Buildings									

APPENDICES



















Other Buildings									
Other Land									
Surplus Assets - (Investment or Inventory)									
Other									
<u>Agricultural assets</u>	-	-	-	-	-	-	-	-	-
<u>Biological assets</u>	-	-	-	-	-	-	-	-	-
<u>Intangibles</u>	-	-	-	-	-	-	-	-	-
Computers - software & programming									
Total Capital Expenditure on renewal of existing assets	192	1,348	292	-	3,226	3,226	-	-	-
<u>Specialised vehicles</u>	-	-	-	-	-	-	-	-	-
Refuse									
Fire									
Conservancy									
Ambulances									
<i>Renewal of Existing Assets as % of total capex</i>	0.9%	3.6%	0.7%	0.0%	4.7%	4.7%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>	1.0%	6.7%	1.0%	0.0%	12.7%	12.7%	0.0%	0.0%	0.0%

APPENDICES











APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2012/13

Capital Programme by Project 2012/13					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
✚ Drilling of boreholes in Msukaligwa farm areas (Phase 2)	2,000,000	4,000,000	5,298,112	-32%	-165%
✚ Drilling of Boreholes: 30 boreholes	1,250,000	1,250,000	1,250,000	0%	0%
✚ Water reticulation at Khayelisha (phase 2) (GSDM)	2,500,000	2,500,000	2,500,000	0%	0%
✚ Refurbishment of Torbanite Dam at Breyten (GSDM)	900,000	900,000	900,000	0%	0%
✚ Water & Sanitation maintenance	1,000,000	1,000,000	1,000,000	0%	0%
✚ Water quality testing : Blue & Green Drop (GSDM)	400,000	400,000	400,000	0%	0%
Sanitation/Sewerage					
✚ Installation of VIP toilets at farm areas (Phase 3)	2,000,000	4,000,000	3,882,297	3%	-94%
✚ Refurbishment and upgrade of sewer treatment plant in Msukaligwa (Davel)	1,510,547	2,221,942	2,221,942	0%	-47%
✚ Installation of Outfall Sewer line at Wesselson/Khayelisha (GSDM)	4,000,000	4,000,000	4,000,000	0%	0%
✚ Upgrade of sewer at Khayelisha (phase 2) (GSDM)	2,000,000	2,000,000	2,000,000	0%	0%
✚ Installation of VIP Toilets (Phase 3) 108 VIPs (GSDM)	1,000,000	1,000,000	1,000,000	0%	0%
Electricity					
✚ Installation of street/high mast lights in Msukaligwa	2,500,000	-	-	0%	100%
✚ Electrification of 500 stands Ermelo Ext 33 Phase 2 – 191 units	1,910,000	1,910,000	1,910,000	0%	0%
✚ Electrification of 600 stands Chrissiesmeer Phase 2 –	1,829,994	1,829,994	1,829,994	0%	0%

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122 unit					
 Electrification of Klipstaple Farm 35 units	599,997	599,997	599,997	0%	0%
 Electrification of Thuthukani CPA(Riversdale) 42 units	629,998	629,998	629,998	0%	0%
 Electrification of 176 units Breyten Ext. 4	1,760,000	1,760,000	1,760,000	0%	0%
 Electrification of 74 units on subdivisions of erf 3596 Thusi Ville	740,000	740,000	740,000	0%	0%
 Electrification of 129 (adjusted to 140) units at Ermelo Ext. 34	1,290,000	1,455,150	1,455,150	0%	-13%
 Electrification of 98 units at Blairmore (New Scotland)	1,469,994	1,469,994	1,469,994	0%	0%
 Electrification of 101 units at Big Village	1,514,995	1,514,995	1,514,995	0%	0%
 Electrification of 95 units at Mgababa Village	1,424,995	1,424,995	1,424,995	0%	0%
Roads & Storm water					
 Rebuild gravel road Amsterdamweg Piet Retief rd./ brickworks (Phase 2)	3,500,000	3,500,000	3,500,000	0%	0%
Construction of various roads and storm water drainage in Msukaligwa local Municipality					
 Road network Silindile: Upgrade gravel to tar / paved					
 Upgrading of KwaDela road					
 Rebuild gravel road Isidingo / KwaChibikhulu (Phase 4) link road					
 Construction of tar/paved roads: P S Simelane street 117 m	25,000,000	22,500,000	19,361,117	14%	23%
 Construction of tar/paved roads: Tayoob Street 1160 m					
 Construction of storm water drainage					
 Construction of tar /paved roads : Manana street (Phase 2)					
 Construction and repair of road in Phosa Village (Phase 2)					
 Upgrading of KwaZanele					

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Street					
 Road upgrade at Wesselton Extension 5 (paving) phase 1 (GSDM)	1,500,000	1,500,000	1,500,000	0%	0%
 Potholes repairs – material procured for the municipality (GSDM)	500,000	500,000	500,000	0%	0%
Housing					
 Construction of 200 low cost houses (Dept. of Human Settlements)	10,930,000	10,930,000	10,930,000	0%	0%
Sports, Arts & Culture					
 Upgrading of Sports facilities	858,150	0	0	0	100%
Environment					
 Concrete palisade Fencing of cemeteries and reservoirs in Msukaligwa	2,735,289	5,317,941	5,317,941	0%	-94%
Refuse removal					
 None (Operational programmes only)	0	0	0	0	0
Economic development					
 None (Operational programmes only)	0	0	0	0	0
Health					
 None	0	0	0	0	0
Safety and Security					
 None (Operational programmes at Public Safety department only)	0	0	0	0	0
ICT and Other					
 None (Operational programmes only)	0	0	0	0	0
T N					

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2012/2013

Capital Programme by Project by Ward 2012/13*			R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)	
Water			
 Drilling of boreholes in farms	18,10,8,11,16	Yes	
 Water reticulation in formalised informal settlements	2	No	
Sanitation/Sewerage			
 Installation of VIP in farms	18,8,11,16,10	Yes	
Electricity			
 Installation of High mast lights	1, 2, 9, 15, 4, 10, 11, 16, 19 & 18	No	
 Electrification of houses	2, 12, 13, 14, 15, 16 & 19	Yes	
Housing			
 Construction of low cost houses	4, 12, 13, 15, 17 & 19	Yes	
Stormwater			
 Construction of stormwater drainage system	2	No	
Sports, Arts & Culture			
 Upgrading of sports facilities	10,15,16,14	No	
Environment			
 Fencing of cemeteries and municipal buildings	1, 3 & 13	Yes	
Refuse removal			
 None	N/A	N/A	
Economic development			
 None	N/A	N/A	
Health			
 None	N/A	N/A	
Safety and Security			
 None	N/A	N/A	
ICT and Other			
 None	N/A	N/A	
			T O

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APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				

T P

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APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licensing and Testing Centre:		
Documentation that must be sent to the Provincial Department of Community Safety, Security and Liaison help desk takes long for verifications, approval and capturing.	High	Affects the community at large due documents that are not processed on time including our own personnel.
Reservoirs		
Schools (Primary and High):		
Sports Fields:		
T Q		

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APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

No grants made by the municipality.

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

There were no returns that were not made in accordance with Section 71 of the MFMA were.

APPENDICES

APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT

Presidential Outcome for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Works Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capacity		
*Note: Some of the outputs detailed on this table might have been reported for in other chapters. The information therefore should correspond with previously reported information.		
T T		

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

As per attached.

DRAFT